

1 APPEARANCES: (CONT'D.)

2 JOHN J. REICHART & JONI OTT
3 727 Craig Road
4 St. Louis, Missouri 63141

5 (Appearing on behalf of
6 Illinois-American Water
7 Company.)

8 RYAN ROBERTSON
9 LUEDERS, ROBERTSON & KONZEN
10 P.O. Box 735
11 1939 Delmar
12 Granite City, Illinois 62040

13 (Appearing on behalf of Illinois
14 Industrial Water Consumers.)

15 SUSAN SATTER
16 OFFICE OF THE ATTORNEY GENERAL
17 100 W. Randolph
18 11th Floor
19 Chicago, Illinois 60601

20 (Appearing on behalf of the
21 People of the State of
22 Illinois.)

23 RICHARD C. BALOUGH
24 BALOUGH LAW OFFICES, LLC
25 One N. LaSalle Street
26 Suite 1910
27 Chicago, Illinois 60602

28 (Appearing on behalf of the
29 Cities of Champaign and Urbana
30 and the Villages of Homer Glen,
31 St. Joseph, Savoy and Sidney.)

32

1		<u>I N D E X</u>			
2					
3	<u>WITNESSES</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
4	LARRY H. WILCOX				
5	By Ms. Buell	529		565	
6	By Ms. Satter		533		
7	By Mr. Sturtevant		561		
8			556		
9	CHRISTOPHER L. BOGGS				
10	By Mr. Lannon	568			
11	DANIEL KAHLE				
12	By Ms. Buell	572			
13	PETER LAZARE				
14	By Mr. Lannon	577			
15	PHILIP RUKOSUEV				
16	By Mr. Lannon	581			
17	By Mr. Balough		588		
18	PHIL HARDAS				
19	By Ms. Buell	595			
20	By Ms. Satter		598		
21	JON DUDDLES				
22	By Mr. Bartel	614			
	By Mr. Sturtevant		619		

1		<u>EXHIBITS</u>		
2			<u>IDENTIFIED</u>	<u>ADMITTED</u>
3	IAWC Exhibits 8.00 thru 8.12, 8.00	E-docket		506
4	R-1 Revised, 8.01 R-1 through 8.09			
5	R-1, 8.00 R-2 Revised, 8.00 R-2			
6	Revised, 8.01 R-2 thru 8.01 R-13,			
7	8.00 SR Revised, 8.14, 11.00 thru			
8	11.02, 12.0, 12.01, 13.00, 13.01			
9	Revised, 13.02, 13.00 SUPP thru			
10	13.02 SUPP, 13.00 R-1, 13.01 R-1,			
11	13.00 R-2, 13.00 SR, 13.03, 20.00			
12	SR, JNK-1, 20.01 & 14.00 thru			
13	19.00			
14	IAWC Cross 2	621		624
15	HG 1.0R, 1.01, 2.0, 2.1, 3.0,	E-docket		507
16	3.01, 4.0 R-2, 4.1R, 4.2			
17	HG-IAWC Joint 1, IAWC-HG 1.08,			
18	1.09, 1.12, 1.14, 1.27, 2.01, 2.04			
19	thru 2.07, 2.09, 2.10, 3.01, 3.04,			
20	3.05, 3.15, 4.04, 4.05, 4.24,			
21	4.26, 4.27, 4.29, 4.32 & 4.36			
22	AG 2.0 thru 2.5, 6.0 thru 6.4, 4.0	E-docket		515
23	thru 4.2, 8.0, 8.1, 3.0 thru 3.3,			
24	7.0 thru 7.2 & AG Joint			
25	Municipalities 1, 1.1, 1.2, 5.0,			
26	5.0 Revised, 5.1, 5.2 & 5.4 thru			
27	5.6			
28	AG Cross 16			497
29	AG Cross 19	540		556
30	AG Cross 20			605
31	ICC Staff 1.0 & 8.0R	E-docket		576
32	ICC Staff 2.0 thru 2.2, 9.0 & 9.1	E-docket		532
33	ICC Staff 3.0 & 10.0	E-docket		598
34	ICC Staff 4.0 thru 4.7 & 11.0 thru	E-docket		521
35	15.0			
36				

1 EXHIBITS INDEX (CONT'D)

2		<u>MARKED</u>	<u>ADMITTED</u>
3	ICC Staff 5.0 & 12.0R thru	E-docket	587
	12.03R		
4	ICC Staff 6.0 & 13.0	E-docket	580
	ICC Staff 7.0 & 14.0 RC	E-docket	571
5			
	IIWC Exhibits 1.0 thru 1.24, 2.0	E-docket	523
6	thru 2.5, 3.0, 3.1, 3.2, 4.0, 5.0,		
	6.0, 7.0 & 8.0		
7			
	DP Exhibit 01	E-docket	524
8			
	MP Exhibit 1.0	E-docket	525
9			

10

11

12

13

14

15

16

17

18

19

20

21

22

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

2
3
4
5
6

7
8

9
10
11
12

13

14

15

16

17

18

19

20

21

22

1 Illinois 62701.

2 MR. LANNON: Also appearing on behalf of the
3 staff of the Illinois Commerce Commission, Michael
4 Lannon, 160 North LaSalle Street, Suite C-800,
5 Chicago, Illinois 60601.

6 MR. BALOUGH: Appearing on behalf of the Cities
7 of Champaign and Urbana and the Villages of Homer
8 Glen, St. Joseph, Savoy and Sidney, Richard Balough,
9 Balough Law Offices, LLC, One North LaSalle Street,
10 Suite 1910, Chicago, Illinois 60602.

11 MR. ROBERTSON: Appearing on behalf of the
12 Illinois Industrial Water Consumers, Ryan Robertson,
13 Lueders, Robertson & Konzen, 1939 Delmar, Granite
14 City Illinois 62040.

15 JUDGE TAPIA: Anyone else wishing to enter an
16 appearance?

17 Okay. Then we can proceed.

18 Ms. Satter, you wanted to enter into
19 evidence a document?

20 MS. SATTER: Yes. Yesterday a document was
21 marked during the cross-examination of Mr. Kerkove,
22 AG Cross Exhibit 16, and I would like to move for the

1 admission of that document.

2 JUDGE TAPIA: Any objection from the company?

3 MR. STURTEVANT: No objection, Your Honor.

4 JUDGE TAPIA: All right. Hearing no objection,
5 AG Exhibit 16 which is the Consumer Price Index
6 document is entered into evidence.

7 (Whereupon AG Cross Exhibit 16
8 was admitted into evidence at
9 this time.)

10 JUDGE TAPIA: Before we hear witnesses, I want
11 to go ahead and enter affidavits for the witnesses
12 that won't be testifying.

13 In the event that you don't have a
14 signed affidavit today, you will be allowed to go
15 ahead and file it as a late filing.

16 Okay. Who wants to go first?

17 MR. STURTEVANT: Your Honor, I guess if I may,
18 before we get started on that, I had at least one
19 thing I wanted to address first thing this morning.

20 There's a witness for the City of
21 Des Plaines named Mr. Duddles who wished to offer a
22 statement supplementing his direct testimony in

1 response to Mr. Uffelman. He would like to offer
2 that statement by phone this afternoon, and I believe
3 he's available starting at 3. He would offer his
4 statement in whatever form over the phone. I have a
5 few clarifying questions to ask him and expect it to
6 be wrapped up pretty quickly.

7 The company is in agreement with this
8 approach, but obviously, it's subject to your
9 approval.

10 JUDGE TAPIA: Okay. That would be fine. 3
11 o'clock?

12 MR. STURTEVANT: Yes. And I'll circulate a
13 phone bridge if we'd be able to set something up in
14 here.

15 JUDGE TAPIA: Yes. I will talk to the clerk's
16 office and find out how to do that.

17 MR. STURTEVANT: Okay. And I'll have a dial-in
18 number.

19 JUDGE TAPIA: So he will be testifying at 3
20 p.m.?

21 MR. STURTEVANT: Yes.

22 JUDGE TAPIA: Okay. Anything else,

1 Mr. Sturtevant?

2 MR. STURTEVANT: Nothing that we can't address
3 after we deal with the affidavits.

4 JUDGE TAPIA: Okay. Who would like to go
5 first? The company, any affidavits you'd like to
6 submit?

7 MR. STURTEVANT: Yes, Your Honor. I would just
8 intend to read all the exhibits and exhibit numbers
9 into the record and indicate their supportive
10 affidavit. Is that all right?

11 JUDGE TAPIA: Yes.

12 MR. STURTEVANT: The first set of exhibits is
13 the testimony of Ms. Pauline Ahern which consists of
14 her direct testimony marked as IAWC Exhibit 8.00 and
15 accompanying exhibits IAWC Exhibits 8.01, 8.02, 8.03,
16 8.04, 8.05, 8.06, 8.07, 8.08, 8.09, 8.10, 8.11 and
17 8.12.

18 In addition, there is the rebuttal
19 testimony of Ms. Ahern marked as IAWC 8.00 R-1
20 Revised with accompanying exhibits IAWC Exhibits 8.01
21 R-1, 8.02 R-1, 8.03 R-1, 8.04 R-1, 8.05 R-1, 8.06
22 R-1, 8.07 R-1, and 8.08 R-1.

1 Ms. Ahern has the second part of her
2 rebuttal testimony which is marked as IAWC Exhibit
3 8.00 R-2 Revised.

4 Oh, I apologize, Your Honor. There
5 was also an Exhibit 8.09 R-1.

6 And then the second part of her
7 rebuttal testimony is IAWC Exhibit 8.00 R-2 Revised
8 with accompanying Exhibits 8.01 R-2, 8.02 R-2,
9 8.03 R-2, 8.04 R-2, 8.05 R-2, 8.06 R-2, 8.07 R-2,
10 8.08 R-2, 8.09 R-2, 8.10 R-2, 8.11 R-2, 8.12 R-2, and
11 8.13 R-2.

12 Finally, Ms. Ahern has surrebuttal
13 testimony marked as IAWC 8.00 SR Revised.

14 All of these testimony and exhibits
15 are supported by her affidavit which is marked as
16 IAWC 8.14, and I believe that will be filed on
17 e-docket today.

18 In addition, we have the testimony of
19 Mr. Mark Young, his direct testimony which was marked
20 as IAWC Exhibit 11.00 and one exhibit attached marked
21 as IAWC Exhibit 11.01. This testimony and exhibit
22 are supported by his affidavit which is marked as

1 IAWC Exhibit 11.02.

2 Next we have the direct testimony of
3 Mr. John Young. That's been marked as IAWC
4 Exhibit 12.00. That is supported by Mr. John Young's
5 affidavit which is marked as IAWC Exhibit 12.01. I
6 believe that will be filed on e-docket today as well.

7 And then lastly, not lastly, second to
8 lastly we have Mr. McKinley's testimony, what's been
9 marked as IAWC Exhibit 13.00, direct testimony of J.
10 Rowe McKinley. We have IAWC Exhibit 13.01 Revised,
11 IAWC Exhibit 13.02, IAWC Exhibit 13.00 SUPP which is
12 the supplemental direct testimony of J. Rowe
13 McKinley. That's accompanied by IAWC Exhibit 13.01
14 SUPP and IAWC Exhibit 13.02 SUPP.

15 We have Mr. McKinley's rebuttal
16 testimony, IAWC 13.00 R-1 with accompanying exhibits
17 IAWC 13.01 R-1, and the second part of Mr. McKinley's
18 rebuttal testimony marked as IAWC 13.00 R-2.

19 Then lastly for Mr. McKinley we have
20 his surrebuttal testimony marked as IAWC 13.00 SR.

21 All of these are supported by
22 Mr. McKinley's affidavit which is marked as IAWC

1 13.03.

2 Lastly, we have the surrebuttal
3 testimony of Mr. Kalinovich marked as IAWC
4 Exhibit 20.00 SR. He also has an attachment to his
5 surrebuttal testimony marked as IAWC Exhibit JNK-1.
6 This testimony is supported by Mr. Kalinovich's
7 affidavit which is marked as IAWC Exhibit 20.01, and
8 that will be I believe filed on e-docket as well.

9 In addition, Your Honor, we have the
10 company's Part 285 schedules. Those are identified
11 on our exhibit list, and they consist of IAWC
12 Exhibit 14.00, the A schedules, IAWC Exhibit 15.00,
13 the B schedules, 16.00, the C schedules, 17.00, the D
14 schedules, 18.00, the E schedules, and 19.00, the G
15 schedules.

16 A number of those schedules have been
17 revised in the course of the case, and those
18 revisions are identified on our exhibit list, and I
19 guess I would suggest that we just note that those
20 are identified on the exhibit list rather than going
21 through them in detail, but I'd be happy to identify
22 all the revisions if you'd like me to.

1 JUDGE TAPIA: Are there a lot of revisions?

2 MR. STURTEVANT: Well, there are a large number
3 of schedules, you know, a number of which have been
4 revised during the course of the case.

5 JUDGE TAPIA: And they're identified in the
6 exhibit list?

7 MR. STURTEVANT: They're identified in the
8 exhibit list, so the exhibit list will reflect the
9 most current revision of each schedule that's
10 contained within those exhibits that I identified.

11 JUDGE TAPIA: Okay. That would be fine just to
12 have the exhibit list.

13 MR. STURTEVANT: Okay.

14 JUDGE TAPIA: Anything else, Mr. Sturtevant?

15 MR. STURTEVANT: No, I think that's covered it.

16 JUDGE TAPIA: Who would like to go next?
17 Mr. Balough?

18 MR. BALOUGH: Thank you, Your Honor.

19 On behalf of the Village of Homer
20 Glen, we have the direct testimony of Jim Daley which
21 has been marked as HG Exhibit 1.0R, and he will be
22 filing an affidavit as HG Exhibit 1.01.

1 We have the direct testimony of Mary
2 Niemiec which is HG Exhibit 2.0. She will be filing
3 an affidavit that will be marked as 2.01.

4 We have the direct testimony of
5 Michael Schofield which is H...

6 JUDGE TAPIA: Mr. Balough, I'm sorry.
7 Ms. Anemic, what is the original exhibit number?

8 MR. BALOUGH: Her original exhibit number is
9 2.0, and that's N-i-e-m-i-e-c.

10 The next witness is Michael Schofield
11 (S-c-h-o-f-i-e-l-d). His testimony has been marked
12 as HG Exhibit 3.0. He has an affidavit that has been
13 marked and has been filed as HG Exhibit 3.01.

14 We have the rebuttal testimony of
15 Aaron Fundich. That's A-a-r-o-n F-u-n-d-i-c-h. That
16 testimony has been marked as HG Exhibit 4.0 R-2. He
17 also has his resume which is attached as
18 Exhibit 4.1R, and we will be filing an affidavit for
19 Mr. Fundich and that will be marked as HG
20 Exhibit 4.2.

21 JUDGE TAPIA: Thank you, Mr. Balough.

22 MR. BALOUGH: And one other thing.

1 JUDGE TAPIA: Oh, okay.

2 MR. BALOUGH: Homer Glen and Illinois-American
3 Water have entered into an agreement concerning the
4 admission of certain data requests, and we will be
5 marking that I believe as HG-IAWC Joint Exhibit 1,
6 and we will file that on e-docket.

7 Do you want me to list the data
8 responses that will be in that exhibit?

9 JUDGE TAPIA: Yes, go ahead for the record.

10 MR. BALOUGH: Okay. For the record, and
11 hopefully the company will correct me if I miss one,
12 these data requests will be admitted. IAWC-HG
13 Exhibit 1.08.

14 And, Your Honor, for purposes of
15 brevity, they're all marked IAWC-HG, okay?

16 JUDGE TAPIA: Okay.

17 MR. BALOUGH: The next one is 1.09, 1.12, 1.14,
18 1.27, 2.01, 2.04, 2.05, 2.06, 2.07, 2.09, 2.10, 3.01,
19 3.04, 3.05, 3.15, 4.04, 4.05, 4.24, 4.26, 4.27, 4.36,
20 and, I'm sorry, this one is out of order, 4.29, 4.32
21 and 4.36, and, again, Your Honor, we will file on
22 e-docket all of these in exhibit form.

1 JUDGE TAPIA: Okay.

2 MS. BUELL: Mr. Balough, are those Homer Glen
3 responses to Illinois-American data requests?

4 MR. BALOUGH: Yes, they are.

5 MS. BUELL: Thank you.

6 MR. BALOUGH: And with that, we would then
7 offer all these exhibits.

8 JUDGE TAPIA: Thank you.

9 Before we go on to AG, the documents
10 and exhibits stated by Mr. Sturtevant on behalf of
11 the Illinois-American Water Company, they're all
12 entered into evidence.

13 (Whereupon IAWC Exhibits 8.00
14 through 8.12, 8.00 R-1 Revised,
15 8.01 R-1 through 8.09 R-1,
16 8.00 R-2 Revised, 8.00 R-2
17 Revised, 8.01 R-2 through 8.01
18 R-13, 8.00 SR Revised, 8.14,
19 11.00 through 11.02, 12.0,
20 12.01, 13.00, 13.01 Revised,
21 13.02, 13.00 SUPP through 13.02
22 SUPP, 13.00 R-1, 13.01 R-1,

1 13.00 R-2, 13.00 SR, 13.03,
2 20.00 SR, JNK-1, 20.01, and
3 14.00 through 19.00 were
4 admitted into evidence at this
5 time.)

6 JUDGE TAPIA: And the exhibits and data
7 requests identified by Mr. Balough on behalf of Homer
8 Glen are entered into evidence.

9 (Whereupon HG Exhibit 1.0R,
10 1.01, 2.0, 2.1, 3.0, 3.01, 4.0
11 R-2, 4.1R, 4.2, HG-IAWC Joint
12 Exhibit 1, IAWC-HG 1.08, 1.09,
13 1.12, 1.14, 1.27, 2.01, 2.04
14 thru 2.07, 2.09, 2.10, 3.01,
15 3.04, 3.05, 3.15, 4.04, 4.05,
16 4.24, 4.26, 4.27, 4.29, 4.32 &
17 4.36 were admitted into evidence
18 at this time.)

19 JUDGE TAPIA: Okay. Ms. Satter?

20 MS. SATTER: Thank you.

21 The following exhibits are being
22 offered by the people of the State of Illinois and by

1 joint municipalities when indicated.

2 First I'd like to offer the testimony
3 of Scott J. Rubin. His direct testimony is AG
4 Exhibit 2.0 with Exhibits 2.01 through 2.05.

5 His rebuttal testimony is AG
6 Exhibit 6.0 and Mr. Rubin's rebuttal exhibits to his
7 rebuttal testimony are AG Exhibits 6.01 through 6.04.

8 We will be filing his affidavit
9 probably tomorrow on e-docket if that's acceptable.

10 JUDGE TAPIA: Yes.

11 MS. SATTER: The People of the State of
12 Illinois have also offered the direct testimony of
13 Mr. Robert Boros (B-o-r-o-s), and that has been
14 marked as AG Exhibit 4.0 and exhibits to 4.0 are AG
15 Exhibit 4.1 and AG Exhibit 4.2.

16 Mr. Boros' filed supplemental direct
17 testimony, and we were granted leave to do so. That
18 testimony is marked AG Exhibit 8.0. Mr. Boros'
19 affidavit will be marked AG Exhibit 8.1 and will be
20 available to be filed on e-docket on Friday.

21 JUDGE TAPIA: I'm sorry, Ms. Satter. It's
22 8.01?

1 MS. SATTER: 8.1.

2 JUDGE TAPIA: Okay.

3 MS. SATTER: The People of the State of
4 Illinois have also offered the direct testimony of
5 Avis Gibons (G-i-b-o-n-s) marked as AG Exhibit 3.0.
6 Exhibits to Exhibit 3.0 are AG Exhibit 3.1 through AG
7 Exhibit 3.3.

8 The supplemental direct testimony of
9 Ms. Gibons has been marked as AG Exhibit 7.0, and it
10 has one attached exhibit, AG Exhibit 7.1.

11 Her affidavit will be marked AG
12 Exhibit 7.2 and will be available to file on e-docket
13 tomorrow.

14 JUDGE TAPIA: Okay.

15 MS. BUELL: Ms. Satter, how are you going to
16 mark for identification Mr. Rubin's affidavit?

17 MS. SATTER: 6.04.

18 MS. BUELL: I think he has an Exhibit 6.04.

19 MS. SATTER: Does he? Let me check.

20 I'll be happy to double check that. I
21 have his last Exhibit 6.03.

22 MS. BUELL: Okay. Then his affidavit you say

1 will be 6.04?

2 MS. SATTER: Yes.

3 MS. BUELL: Thank you.

4 MS. SATTER: Then the final piece of testimony
5 we would like to offer is the direct testimony of
6 Ralph C. Smith, and Mr. Smith has submitted this
7 testimony, and on behalf of the people of the State
8 of Illinois as well as on behalf of several
9 municipalities, I'd like to state their names into
10 the record, and that there was one city that joined
11 after the testimony was filed.

12 So the cities who are co-sponsoring
13 Mr. Smith's testimony are the City of Des Plaines,
14 the Village of Bolingbrook, the Village of Glen
15 Ellen, Illinois , the Village of Homer Glen, the
16 Village of Lemont, Village of Lombard, Village of
17 Mount Prospect, Village of Orland Hills, Village of
18 Prairie Grove, Village of Woodridge, and Elmhurst is
19 also joining in sponsoring Mr. Smith's testimony.

20 And that document has been marked as
21 AG Joint Municipalities Exhibit 1. This document was
22 filed in a confidential and a public version.

1 Since the filing of this document, the
2 company and the Office of the Attorney General have
3 agreed that the confidential designations can be
4 removed, so I do have a question...

5 JUDGE TAPIA: Yes.

6 MS. SATTER: ...which is whether the
7 Administrative Law Judge can release the confidential
8 version to the public file or whether I need to
9 refile it with the confidential designations removed.

10 JUDGE TAPIA: For the benefit of Judge Jones, I
11 would recommend you file it.

12 MS. SATTER: Refile it?

13 JUDGE TAPIA: Refile it.

14 MS. SATTER: Okay. The only change to that
15 exhibit will be the removal of the confidential
16 designations just for the record so people understand
17 that.

18 And Mr. Smith's direct testimony was
19 marked as AG Joint Municipalities Exhibit 1.0. In
20 addition, he has exhibits AG Joint Municipalities
21 Exhibit 1.1 and 1.2.

22 Similarly to his testimony,

1 Exhibit 1.2 had some portions marked confidential.

2 Those designations are being removed so that will be
3 refiled without the designations.

4 JUDGE TAPIA: Okay.

5 MS. SATTER: Mr. Smith filed rebuttal
6 testimony, AG Joint Municipalities Exhibit 5.0. That
7 has been revised in accordance with the agreement
8 between the Office of the Attorney General and the
9 company, and that revised document will be filed on
10 e-docket tomorrow along with Mr. Smith's affidavit.
11 It is being called AG Joint Municipalities
12 Exhibit 5.0 Revised.

13 The change is to remove the
14 discussion. I believe it's on -- let me just get you
15 the exact pages so that it's in the record.

16 The language starting on page 52, line
17 1080 through page 54, lines 1123 are being removed
18 from the AG Joint Municipalities Exhibit 5.0 as
19 originally filed.

20 On rebuttal, AG Joint Municipalities
21 Exhibit 5.1, 5.2 and 5.4, 5.5 and 5.6 are being
22 offered, oh, excuse me, through 5.5. Exhibit 5.3

1 will not be offered into evidence, so even though,
2 it's on e-docket, it is not being offered into
3 evidence, again, in accordance with the agreement
4 yesterday.

5 Mr. Smith's affidavit is being marked
6 as AG Joint Municipalities Exhibit 5.6 and will be
7 filed on e-docket tomorrow.

8 JUDGE TAPIA: Ms. Satter, that's 5.1 and 5.2
9 and 5.4 and 5.5?

10 MS. SATTER: Correct.

11 JUDGE TAPIA: Okay.

12 MS. SATTER: We will also have a revised
13 exhibit list of the People of the State of Illinois,
14 and I would like to offer to file that tomorrow after
15 all the affidavits are filed and the confidential
16 designation issue has been resolved and that's
17 refiled.

18 JUDGE TAPIA: Okay. And if you can send me an
19 e-mail copy so I can update this list or make sure
20 this list is correct.

21 MS. SATTER: Okay. I'll include that in the --
22 I'll serve the exhibit list on all the parties, and

1 I'll be sure to copy you.

2 JUDGE TAPIA: Okay.

3 MS. SATTER: Now, I looked at the AG cross
4 exhibit list from yesterday. Would you like me to
5 comment on that?

6 JUDGE TAPIA: Sure.

7 MS. SATTER: Okay. I just wanted to note for
8 the record that AG Cross Exhibit 13, which was the
9 response to AG data request 9.2, was offered and I
10 believe admitted yesterday, and AG Cross Exhibit 14
11 which was the updated response to AG data request
12 10.13 was also offered, and I believe it was
13 admitted.

14 You know, these might have been
15 admitted on Tuesday rather than yesterday.

16 JUDGE TAPIA: Do you have that list,
17 Ms. Satter?

18 MR. REICHART: She does have those listed,
19 Ms. Satter, on the first page, AG 13 and 14.

20 MS. SATTER: Okay. Thank you.

21 JUDGE TAPIA: And I apologize but I didn't ask
22 the other parties.

1 Mr. Sturtevant's exhibits that he
2 entered into evidence today and Mr. Balough's
3 exhibits that he entered on behalf of Homer Glen, are
4 there any objections to the entry of those exhibits?

5 Okay. Are there any objections to the
6 exhibits just stated by Ms. Satter on behalf of the
7 People and the municipalities?

8 Okay. Ms. Satter is that the last?

9 MS. SATTER: Yes. So I'd move for the
10 admission of the exhibits that were just described.

11 JUDGE TAPIA: Okay. Hearing no objection, the
12 exhibits stated by Ms. Satter are admitted into
13 evidence.

14 (Whereupon AG 2.0 thru 2.5, 6.0
15 thru 6.4, 4.0 thru 4.2, 8.0,
16 8.1, 3.0 thru 3.3, 7.0 thru 7.2
17 & AG Joint Municipalities 1,
18 1.1, 1.2, 5.0, 5.0 Revised, 5.1,
19 5.2 & 5.4 thru 5.6 were admitted
20 into evidence at this time.)

21 JUDGE TAPIA: On behalf of staff?

22 MS. BUELL: Thank you, Your Honor.

1 MR. STURTEVANT: I'm sorry, Linda, to interrupt
2 you.

3 MS. BUELL: No problem.

4 MR. STURTEVANT: I have one additional item
5 while we're on the topic of the AG and our agreement
6 yesterday.

7 JUDGE TAPIA: Okay.

8 MR. STURTEVANT: Part of the agreement was to,
9 as I believe I described yesterday, was to agree to
10 the admission in some form of a number of documents
11 from the California PUC proceeding.

12 I discussed this with Ms. Satter, and
13 if it's acceptable to you, I believe the approach
14 that might make the most sense would be for the
15 Commission to take administrative notice of those
16 documents, and then for the convenience of the
17 parties, we could file electronic copies. One of
18 them is quite voluminous. We could file electronic
19 copies on the e-docket.

20 And the title of the documents are,
21 just for the record, the first is an order of the
22 California Public Utilities Commission, Application

1 08-01-027, final decision authorizing rate increase
2 in Monterey Water District and Toro service area.

3 The second document is --

4 JUDGE TAPIA: I'm sorry, Mr. Sturtevant. The
5 docket number again 08-01...

6 MR. STURTEVANT: Yes, 08-01-027.

7 JUDGE TAPIA: Okay.

8 MR. STURTEVANT: And I guess I would add for
9 clarification on that that the date of issuance on
10 that document is marked 7/10/2009.

11 JUDGE TAPIA: Okay.

12 MR. STURTEVANT: In that same docket number,
13 there is a document entitled California-American
14 Water petition to modify decision 09-07-021 regarding
15 general office. That is dated October 7, 2009.

16 And lastly, again, in that same
17 docket, a document entitled response of the division
18 of ratepayer advocates to the California-American
19 Water petition to modify decision 09-07-021 regarding
20 general office. That document is dated November 6,
21 2009.

22 JUDGE TAPIA: And, Mr. Sturtevant, I'm sorry,

1 the docket number again, 09-07?

2 MR. STURTEVANT: I apologize. I'm not sure I'm
3 a hundred percent familiar with the labeling process
4 of the California Public Utilities Commission, but
5 the documents are marked as Application No.
6 08-01-027.

7 I believe the reference to decision
8 number is a separate reference to the decision that
9 was the first document that I identified.

10 JUDGE TAPIA: That's it?

11 MR. STURTEVANT: Yes.

12 JUDGE TAPIA: Okay. Thank you, Mr. Sturtevant.

13 MR. STURTEVANT: And we would I guess intend to
14 file these on e-docket as administrative notice
15 exhibits or whatever. I'm not sure what the
16 appropriate designation would be, or, alternatively,
17 IAWC-AG joint exhibit.

18 JUDGE TAPIA: Okay; as administrative notice in
19 regards to this one because I know we had one
20 yesterday.

21 MS. SATTER: Okay. So administrative notice
22 will be taken of these documents? Is that what we're

1 doing?

2 JUDGE TAPIA: Yes.

3 MS. SATTER: Okay. And you would like to file
4 them as IAWC-AG administrative notice documents or
5 Exhibits 1...

6 MR. STURTEVANT: 1, 2 and 3.

7 MS. SATTER: Okay.

8 MR. STURTEVANT: Okay.

9 JUDGE TAPIA: Okay. On behalf of staff?

10 MS. BUELL: Thank you, Your Honor.

11 Staff moves for the admission of the
12 direct testimony of Michael McNally previously marked
13 for identification as ICC Staff Exhibit 4.0. This
14 consists of 36 pages of narrative testimony and
15 Schedules 4.1 through 4.7, and it was filed via the
16 Commission's e-docket system on September 28, 2009.

17 Staff also moves for admission into
18 the evidentiary record the rebuttal testimony of
19 Michael McNally previously marked for identification
20 as ICC Staff Exhibit 11.0 consisting of 15 pages of
21 narrative testimony and Attachments A through D and
22 filed via the Commission's e-docket system on

1 November 13, 2009.

2 And finally, staff moves for admission
3 into the record ICC Staff Exhibit 15.0 which is the
4 affidavit of Michael McNally which was filed via the
5 Commission's e-docket system this morning,
6 December 10, 2009.

7 JUDGE TAPIA: Thank you, Ms. Buell. Is that
8 the last one?

9 MS. BUELL: Yes.

10 Your Honor, in addition, staff would
11 just like to note for the record that this morning,
12 staff witness Phil Hardas will be supporting the
13 previously filed direct testimony and rebuttal
14 testimony of staff witness Sheena Kite-Garlisich who
15 is not available today she's on leave.

16 JUDGE TAPIA: And so he will be adopting her
17 testimony?

18 MS. BUELL: Yes, he will be adopting her
19 testimony as well as it's staff's understanding that
20 he will be cross-examined on it as well.

21 JUDGE TAPIA: Okay. Thank you.

22 MS. BUELL: Thank you.

1 JUDGE TAPIA: Are there any objections to the
2 exhibits stated by Ms. Buell on behalf of staff?

3 Hearing no objection, they're entered
4 into evidence.

5 (Whereupon ICC Staff 4.0 thru
6 4.7 & 11.0 & 15.0 were admitted
7 into evidence at this time.)

8 JUDGE TAPIA: Mr. Robertson?

9 MR. ROBERTSON: Yes, on behalf of the Illinois
10 Industrial Water Consumers, we have the direct
11 testimony of Michael Gorman which has been marked as
12 Exhibit 1.0 with Exhibits 1.1 through 1.24.

13 The rebuttal testimony of IIWC witness
14 Michael Gorman which has been marked as IIWC 3.0 with
15 IIWC Exhibits 3.1 and 3.2, and the corresponding
16 affidavit of Michael Gorman which has been marked as
17 Exhibit 7.0 which I believe was filed on
18 December 8th.

19 We also have the direct testimony of
20 witness Brian Collins which has been marked as IIWC
21 Exhibit 2.0 along with IIWC Exhibits 2.1, 2.2, 2.3,
22 2.4, and 2.5, the rebuttal testimony of IAWC witness

1 Brian Collins which has been marked as IIWC
2 Exhibit 4.0, and the corresponding affidavit of Brian
3 Collins which has been marked as 8.0 which I believe
4 was filed on December 8th also.

5 Finally, we have the rebuttal
6 testimony of IIWC witness Gary Goossens which has
7 been marked as IIWC Exhibit 5.0.

8 JUDGE TAPIA: Can you spell that, please?

9 MR. ROBERTSON: Goossens (G-o-o-s-s-e-n-s).

10 JUDGE TAPIA: Thank you.

11 MR. ROBERTSON: There is a public and
12 confidential version of that testimony, and the
13 corresponding affidavit of IAWC witness Gary Goossens
14 which has been marked as IAWC Exhibit 6.0 which I
15 believe was filed December 9th.

16 JUDGE TAPIA: And Mr. Goossens' rebuttal
17 testimony was exhibit -- I'm sorry.

18 MR. ROBERTSON: 5.0.

19 JUDGE TAPIA: 5.0?

20 MR. ROBERTSON: Yes.

21 JUDGE TAPIA: And the accompanying exhibits?
22 I'm sorry because I interrupted you.

1 MR. ROBERTSON: No, Your Honor. It was just
2 the 5.0.

3 JUDGE TAPIA: Okay. Anything else,
4 Mr. Robertson?

5 MR. ROBERTSON: No. Thank you. I'd move for
6 their admission.

7 JUDGE TAPIA: Are there any objections to the
8 exhibits just stated by Mr. Robertson on behalf of
9 IIWC?

10 Okay. Hearing no objection, they are
11 admitted into evidence.

12 (Whereupon IIWC Exhibits 1.0
13 thru 1.24, 2.0 thru 2.5, 3.0,
14 3.1, 3.2, 4.0, 5.0, 6.0, 7.0 &
15 8.0 were admitted into evidence
16 at this time.)

17 MS. SATTER: There is one more thing.

18 JUDGE TAPIA: Yes?

19 MS. SATTER: There were I believe two
20 municipalities that offered evidence, and there was
21 no cross-examination for those witnesses. That would
22 be Mr. Jason Bajor, which is on behalf of the City of

1 Des Plaines, DP Exhibit 01. I believe an affidavit
2 for Mr. Bajor was filed on e-docket, and it's my
3 understanding there's no objection to his testimony.

4 So I would move on behalf of --
5 they're not here today because of the waiver of the
6 cross, so I just wanted to make sure they got into
7 evidence.

8 JUDGE TAPIA: Ms. Satter, it's DP.

9 MS. SATTER: Exhibit 01 is how it's marked.

10 And Bajor is B-a-j-o-r.

11 JUDGE TAPIA: And that's the direct testimony?

12 MS. SATTER: Yes, and I believe that's all he
13 filed.

14 JUDGE TAPIA: Okay. Any objection from the
15 company with respect to that exhibit?

16 MR. STURTEVANT: No.

17 JUDGE TAPIA: Okay. DP Exhibit 01, direct
18 testimony of Mr. Bajor is admitted into evidence on
19 behalf of the City of Des Plaines.

20 (Whereupon DP Exhibit 01 was
21 admitted into evidence at this
22 time.)

1 MS. SATTER: And the Village of Mount Prospect
2 also submitted the testimony of their mayor, Irvana
3 K. Wilks (W-i-l-k-s). It is also being offered
4 without cross-examination, and I believe her
5 affidavit has been filed on e-docket, and again, I
6 wanted to make sure that that was formally entered
7 into the record. It's MP Exhibit 1.0.

8 JUDGE TAPIA: And Ms. Satter, it's MP 1?

9 MS. SATTER: 1.0.

10 JUDGE TAPIA: And that's the direct testimony
11 of Ms. Wilkes?

12 MS. SATTER: Yes.

13 JUDGE TAPIA: Okay. Any objection to
14 Ms. Wilkes' testimony from the company?

15 MR. STURTEVANT: No, Your Honor.

16 JUDGE TAPIA: Okay. Hearing no objection, MP
17 1.0 is admitted into evidence on behalf of the
18 Village of Prospect.

19 (Whereupon MP Exhibit 1.0 was
20 admitted into evidence at this
21 time.)

22 JUDGE TAPIA: Anything else, Ms. Satter?

1 MS. SATTER: No.

2 JUDGE TAPIA: Okay. Thank you.

3 Anyone else that would like to enter
4 affidavits?

5 Okay. Anything else we need to do
6 before we start with the witnesses?

7 MR. ALPERIN: Your Honor, I just wanted to
8 enter my appearance. I walked in a little late this
9 morning.

10 JUDGE TAPIA: Oh, I apologize. I didn't see
11 you there.

12 MR. ALPERIN: It's my fault for being a little
13 bit late. I just wanted to enter my appearance on
14 the record for the Village of Bolingbrook here today.

15 My name is Jeff Alperin
16 (A-l-p-e-r-i-n).

17 JUDGE TAPIA: Go ahead, Mr. Alperin. If you
18 can just go ahead and enter your appearance.

19 MR. ALPERIN: Oh, I'm sorry. Jeff Alperin,
20 Tressler, Soderstrom, Maloney & Priess, LLP, 305 West
21 Briarcliff, Bolingbrook, Illinois 60440.

22 JUDGE TAPIA: Thank you, Mr. Alperin.

1 Anyone else wishing to enter an
2 appearance?

3 Okay. Then staff can call their first
4 witness.

5 MS. BUELL: Yes, Your Honor. Staff calls Larry
6 H. Wilcox to the stand.

7 JUDGE TAPIA: Before I swear in Mr. Wilcox,
8 Mr. Robertson, do you have an updated exhibit list?

9 MR. ROBERTSON: I don't. It will be filed
10 though. Is that okay?

11 JUDGE TAPIA: Yes, that's fine.

12 MR. ROBERTSON: Okay.

13 JUDGE TAPIA: And, Mr. Balough, I believe I saw
14 on e-docket the latest version of your exhibit list
15 or is that someone else's?

16 MR. BALOUGH: Well, that was mine, but there
17 will be another one because that does not reflect I
18 believe Mr. Fundich's affidavit.

19 When I get all the affidavits in, I'll
20 file an updated exhibit list because I believe the
21 ALJ wanted to have the file number as well, and I
22 can't get the file number until I file it.

1 JUDGE TAPIA: Okay. That would be great.

2 After Friday, Judge Jones should be
3 taking over, but if you can send me a courtesy copy
4 of the exhibit list because I will have to do these
5 reports for these dates of the evidentiary hearing
6 and I want to make sure they're all correct.

7 MR. BALOUGH: I will, Your Honor.

8 JUDGE TAPIA: And also for the company, if
9 there's anything updated, if you can send me a
10 courtesy copy.

11 MR. STURTEVANT: Yes, we'll do that, Your
12 Honor. I believe we intend to probably tomorrow file
13 an updated exhibit list.

14 JUDGE TAPIA: Okay. If you can send me a
15 courtesy copy by e-mail, that would be great.

16 MR. STURTEVANT: Absolutely.

17 JUDGE TAPIA: Okay. Mr. Wilcox, if you'd raise
18 your right hand.

19 (Whereupon the witness was sworn
20 by Judge Tapia.)

21 JUDGE TAPIA: Thank you, Mr. Wilcox.

22 Whenever you're ready, Ms. Buell.

1 MS. BUELL: Good morning, Mr. Wilcox.

2 LARRY H. WILCOX

3 called as a witness herein, on behalf of staff of the
4 Illinois CommerceCommission, having been first duly
5 sworn on his oath, was examined and testified as
6 follows:

7 DIRECT EXAMINATION

8 BY MS. BUELL:

9 Q. Would you please state your full name and
10 spell your last name for the record?

11 A. My name is Larry H. Wilcox. That's
12 W-i-l-c-o-x.

13 Q. Mr. Wilcox, by whom are you employed?

14 A. I'm an accountant in the Accounting
15 Department of the Financial Analysis Division.

16 Q. And that would be with the Illinois
17 Commerce Commission?

18 A. Yes.

19 Q. Mr. Wilcox, have you prepared written
20 testimony for purposes in this proceeding?

21 A. Yes, I have.

22 Q. And do you have before you a document

1 that's been marked for identification as ICC Staff
2 Exhibit 2.0 which consists of a cover page, table of
3 contents, four pages of narrative testimony,
4 Schedules 2.1 and 2.2, attachments A and B, and is
5 titled "Direct Testimony of Larry L. Wilcox"?

6 A. Yes.

7 Q. And is this a true and correct copy of the
8 direct testimony that you've prepared for this
9 proceeding?

10 A. Yes, it is.

11 Q. Do you also have before you a document
12 which has been marked for identification as ICC Staff
13 Exhibit 9.0 consisting of a cover page, table of
14 contents, five pages of narrative testimony,
15 Schedule 9.1, Attachments A through D, and is titled
16 Rebuttal's Testimony of Larry H. Wilcox"?

17 A. Yes.

18 Q. And is this a true and correct copy of the
19 rebuttal testimony that you prepared for purposes of
20 this proceeding?

21 A. Yes.

22 Q. Do you have any corrections to make to your

1 prepared direct and rebuttal testimony?

2 A. No.

3 Q. And is the information contained in your
4 direct and rebuttal testimony and the accompanying
5 schedules and attachments true and correct to the
6 best of your knowledge?

7 A. Yes.

8 Q. And if I were to ask you the same questions
9 today, would your responses be the same?

10 A. Yes, they would.

11 MS. BUELL: Your Honor, at this time, I ask for
12 admission into evidence Mr. Wilcox's prepared direct
13 testimony marked as ICC Staff Exhibit 2.0 including
14 the attached schedules and attachments and
15 Mr. Wilcox's prepared rebuttal testimony marked as
16 ICC Staff Exhibit 9.0 including the attached
17 schedules and attachments, and I'd note for the
18 record that these are the exact same documents that
19 were originally filed via the Commission's e-docket
20 system on September 28th and November 13th, 2009
21 respectively.

22 JUDGE TAPIA: Thank you, Ms. Buell.

1 Any objection to the exhibits to be
2 entered into evidence on behalf of staff witness
3 Mr. Wilcox?

4 Hearing no objection, the direct
5 testimony entitled "Direct Testimony of Mr. Wilcox"
6 is 2.0 and the rebuttal testimony, 9.0, are admitted
7 into evidence.

8 (Whereupon ICC Staff Exhibits
9 2.0 thru 2.2 and 9.0 and 9.1
10 were admitted into evidence at
11 this time.)

12 MS. BUELL: Thank you, Your Honor.

13 I tender Mr. Wilcox for
14 cross-examination.

15 JUDGE TAPIA: Thank you, Ms. Buell.

16 Ms. Satter?

17 MS. SATTER: Thank you.

18 Good morning, Mr. Wilcox. My name is
19 Susan Satter. I represent the people of the State of
20 Illinois through the Office of the Attorney General.

21 THE WITNESS: Good morning.

22

1 CROSS-EXAMINATION

2 BY MS. SATTER:

3 Q. I have some questions for you about your
4 testimony concerning rate case expense.

5 In your testimony, you accept the
6 company's request for rate case expense in full; that
7 is for this case, is that correct?

8 A. Can I refer to my direct testimony?

9 Q. Sure. It's in your direct testimony on
10 page 4. If you look at lines 72 to 75, you say, "I
11 recommended the Commission expressly find that the
12 proposed amounts to be expended by the company for
13 rate case expenses proceeding as adjusted by staff
14 are just and reasonable."

15 In your direct testimony, can you
16 identify the adjustment that you made?

17 (Pause)

18 A. Okay. Could you phrase the question once
19 again? I'm sorry.

20 Q. In your direct testimony, is it true that
21 you accepted the company's rate case expense as
22 described on their schedule, Schedule C?

1 A. Yes.

2 Q. And in your rebuttal testimony, you made
3 one adjustment to the recovery of past rate case
4 expense as requested by the company, is that correct?

5 A. No, not exactly.

6 Q. Well, let --

7 A. I made the same adjustment in direct and
8 rebuttal.

9 Q. Oh, okay.

10 A. That didn't change.

11 Q. Did you accept the rate case expense
12 contained in Schedule C-10 as filed by the company?

13 A. There was one adjustment that was made in
14 direct and carried forward into rebuttal that had to
15 do with prior rate case expense.

16 Q. And that adjustment was to limit the prior
17 rate case expense to the amounts approved by the
18 Commission in the company's last rate case. That
19 would be Docket 07-0507?

20 A. That's correct.

21 Q. But other than that adjustment, did you
22 accept the company's rate case expense as filed?

1 A. Yes.

2 Q. Okay. Now, in your testimony, you say that
3 you had reviewed the company's data request
4 responses, is that right?

5 A. Yes.

6 Q. And you did, in fact, review those
7 responses and you found no basis for an adjustment,
8 is that correct?

9 A. I had a series of DRs where I asked them to
10 update on a monthly basis the amount of rate case
11 expense, and when I got the most recent one, there
12 was still no basis for an adjustment, or at least in
13 my mind there was no basis for an adjustment.

14 We were working with an incomplete
15 information set. The meters still run on that.

16 Q. Now, are you aware that the company was
17 allowed its entire rate case expense as identified in
18 its schedules in the last rate case, and that was
19 07-0507?

20 A. Yes, I think that's true.

21 Q. Okay. So to the extent that the company
22 estimated and asked for a rate case expense in

1 07-0507, it was allowed, correct?

2 A. Yes, I believe so.

3 Q. Okay. When you were reviewing the rate

4 case expense in this case, did you look back at the

5 allowed rate case expense in 07-0507?

6 A. Yes, I'm sure I did.

7 Q. Okay. And did you notice that the amount

8 requested in this case was higher than the amount

9 allowed in the last case?

10 A. Yes, but as I recall, the amount they asked

11 for wasn't higher than the actual in the last rate

12 case.

13 Q. So is it your understanding that although

14 the company estimated an amount for the last rate

15 case, and I believe you have it in your Schedule 9.1,

16 the company asked for \$1.48 million in the last rate

17 case, and it was granted that. It's on your

18 Schedule 9.1.

19 MS. BUELL: What specific line are you

20 referring to, Ms. Satter?

21 MS. SATTER: It's line 11.

22 MS. BUELL: So that would be --

1 MS. SATTER: Column C, page 2.

2 MS. BUELL: Thank you.

3 Q. BY MS. SATTER: Even though that was the
4 amount that was estimated, you evaluated the current
5 rate case expense against the amount that was
6 actually incurred?

7 A. Could you rephrase that, please?

8 Q. When you evaluated the reasonableness of
9 the company's rate case expense in this case, did you
10 evaluate it against the amount approved in 07-0507 or
11 against the amount that the company claims it
12 actually incurred?

13 A. I'm reasonably certain I would have looked
14 at the actual because the other was simply an
15 estimate.

16 Q. And to the extent that an estimate is
17 different from the actual, would that indicate
18 that -- well, what does that indicate when there's a
19 difference, that the budgeting was -- strike that.
20 Let me restate that.

21 If the actual is different from the
22 budgeted, would you agree that that could represent

1 several things such as that cost controls were not
2 followed or the estimate was wrong?

3 What are the kinds of things that
4 cause a deviance like that or deviation?

5 MS. BUELL: Ms. Satter, are you asking him what
6 he considered in this particular analysis or are you
7 asking him as a general matter?

8 MS. SATTER: Well, we're talking about this
9 case, so we've got this difference between the actual
10 and the approved, and so my question is, did you
11 consider that difference and how did you evaluate
12 that difference.

13 A. An estimate is simply that. I mean, by its
14 very nature, they tend to be imprecise, but when all
15 is said and done, you come up with an actual number
16 of what things cost, and it's usually better to
17 evaluate future estimates versus actual expenses.

18 Q. Did you evaluate the particular categories
19 of expense that the company was requesting in this
20 case against the amounts approved in the last case?

21 A. Yes.

22 Q. And you also evaluated them as against the

1 amounts actually accrued in the last case as
2 represented by the company?

3 A. I thought that's what I just answered.

4 Q. Okay. No. There's a difference. I'm
5 asking you for the difference between the amounts
6 that were in the rate case expense...

7 A. The amounts approved?

8 Q. The amounts approved versus the amounts
9 accrued.

10 A. No, I didn't compare their previous
11 estimates that were approved to their estimates in
12 this case. I compared their actual expenses in the
13 last case to their estimates in this case.

14 Q. Did you look at the amount of rate case
15 expense requested by the company in Docket 02-0690?

16 A. No.

17 Q. That would be the last. Okay.

18 Did you look at Schedule C-10.1
19 submitted in 07-0507?

20 Let me show you a copy and you can
21 tell me if this is the document you reference. I
22 believe this will be AG Cross Exhibit 19.

1 (Whereupon AG Cross Exhibit 19
2 was marked for identification as
3 of this date.)

4 Q. BY MS. SATTER: Do you recognize that as
5 Schedule C-10.01?

6 A. Yes.

7 Q. And that's the same schedule that you
8 looked at in this case, correct, for rate case
9 expense, the same schedule number?

10 A. I did look at this schedule as submitted in
11 the current case, yes.

12 Q. Okay. Now did you look at this schedule in
13 the last case, in 07-0507 to determine your column C
14 on Schedule 9.1, page 2 of 2?

15 (Pause)

16 A. I don't think so.

17 Q. Now, you agree that the Schedule C-10.1
18 include the prior case's expense level, approved
19 expense level, and then the estimated for the current
20 case, is that right?

21 A. Could you rephrase that once more? I'm
22 sorry.

1 Q. Schedule C-10.1.

2 A. Okay.

3 Q. That shows the actual amount of rate case
4 expense approved by the Commission in the prior case
5 and then the amount requested in the current case,
6 right?

7 A. That's correct.

8 Q. Now, in evaluating the rate case expense in
9 this case, in 0391, you did not look back to see the
10 pattern of rate case expenses going back to 02-0690?

11 A. No, I don't believe I did.

12 Q. But that was available to you, isn't that
13 correct?

14 A. I'm quite sure it was.

15 Q. And would you agree that what's been marked
16 as AG Cross Exhibit 19 shows that from Docket 02-0690
17 to 07-0507, there was a 55 percent increase in the
18 rate case expense?

19 MS. BUELL: Your Honor, I'm going to object to
20 that question. Mr. Wilcox has already stated that he
21 did not use the schedule from the company's last rate
22 case in his analysis.

1 Ms. Satter is now asking him to verify
2 the numbers on that schedule and also to draw
3 conclusions from it, and so staff objects to the
4 question and the admission of the cross exhibit for
5 that matter.

6 JUDGE TAPIA: Ms. Satter?

7 MS. SATTER: This is cross-examination. The
8 question is, how did Mr. Wilcox reach his conclusion
9 that this expense item was reasonable.

10 I think it's appropriate to ask him
11 what he looked at, and when a document is part of the
12 Commission's files, is available to him, which he
13 admittedly agreed was available to him, if he had
14 looked at it, what would he have seen, because he
15 didn't look at it and yet it was available.

16 So I think for purposes of
17 cross-examination, it is an appropriate inquiry in an
18 appropriate cross exhibit, and it's a document that's
19 on the Commission's e-docket system. I don't think
20 there's any question as to its veracity. We didn't
21 create it. It's part of the rate case filing from
22 that docket.

1 JUDGE TAPIA: I tend to agree with Ms. Satter.
2 I think there's some flexibility in cross-examination
3 and using exhibits, and it was available, the witness
4 did testify that it was available to him, and he can
5 state his opinion of the question that Ms. Satter
6 asked.

7 So the objection to the type of
8 question, that's overruled.

9 And as far as the admission,
10 Ms. Satter hasn't offered it for admission so that's
11 also overruled.

12 MS. SATTER: Okay. Do you remember the
13 question?

14 The question was just a foundational
15 question, so I don't think there's a question
16 pending.

17 Q. More generally, it's true that you did not
18 consider these figures in evaluating whether or not
19 the rate case expense in this docket is just and
20 reasonable, is that correct?

21 A. That would be correct.

22 Let me go on to say that if I was

1 looking at any figure in the current case, I would
2 not look at an estimate from the prior case. I would
3 look at an actual from the prior case.

4 Q. Now, are you aware that a future test year
5 by definition is an estimate?

6 A. Of course it is.

7 Q. So is it correct that all figures in the
8 future test year are estimates?

9 A. If you'll let me speak in generalization,
10 that's probably true.

11 Q. I mean, is there any way that -- oh, okay.
12 Strike that.

13 Does the Commission have the right to
14 rely on the company's estimates in determining the
15 revenue requirement when a company chooses to use a
16 future test year?

17 A. The Commission receives estimates, and they
18 test the validity of them the best way they can.

19 In my humble opinion, the best way to
20 go about that is looking at prior actual and
21 comparing it to current estimated.

22 Q. Do you think a company has an obligation to

1 attempt to operate within a budget that it
2 establishes?

3 A. I think they certainly tend to operate in
4 the budget they establish. Now, they don't always
5 get there, but they do the best they can.

6 Q. Okay. Now, in reviewing the rate case
7 expense, you reviewed various documents showing
8 actual expenditures, is that correct?

9 A. Yes.

10 Q. Did you review the response to ICC LHW
11 3.05? I believe you say that in your testimony.

12 A. Do you have a reference?

13 (Pause)

14 MS. BUELL: I don't see that, Ms. Satter. Do
15 you have a line reference for that?

16 MS. SATTER: You know, I don't. Let me just
17 show Mr. Wilcox a copy of that response, and then he
18 can tell me if he looked at it.

19 MS. BUELL: Would you have an extra copy of
20 that response?

21 (Whereupon Ms. Satter handed a
22 document to Ms. Buell.)

1 MS. BUELL: Thank you.

2 Q. BY MS. SATTER: Mr. Wilcox, can you take a
3 look at this and tell me if you did look at that
4 summary of billings?

5 (Pause)

6 MS. BUELL: Ms. Satter, is this the entire
7 response to that data request or were there
8 additional pages?

9 MS. SATTER: I believe this was one page of
10 data.

11 MS. BUELL: Was there a narrative response as
12 well?

13 MS. SATTER: I don't know.

14 THE WITNESS: I believe this is one of a series
15 of requests. This is 3.05 you said?

16 MS. SATTER: Yes.

17 (Pause)

18 THE WITNESS: Oh, okay. Yes. I'm sure I've
19 looked at this at some time or another, I guess. I
20 don't know. If they sent it with a narrative
21 explanation, I'm sure I looked at it, although I
22 don't recall anything specific about it.

1 Q. BY MS. SATTER: Okay. Do you recall
2 whether you received information about the number of
3 hours that was worked relative to the charges on this
4 exhibit?

5 A. No, I don't recall specifically.

6 Q. Did you review the functions performed by
7 the attorneys for the company in connection with
8 evaluating the rate case expense?

9 A. Obviously not from this.

10 Q. Do you recall --

11 A. I think there was a separate DR where we
12 asked for copies of the invoices, but it's not here.
13 I mean, the numbers are here, but the narrative
14 explanations that would have accompanied the invoice
15 and what the services were for is not here.

16 Q. Do you recall whether you had the
17 opportunity to review an explanation of the services
18 provided for the charges that were billed?

19 A. I don't.

20 Q. The invoices that you received in response
21 to your request for information from the company, do
22 you recall whether the detail of the number of hours

1 and the specific services provided was removed from
2 those invoices, redacted?

3 A. I don't recall.

4 Q. You don't recall. Okay.

5 If I can show you a document that
6 we'll mark AG Cross Exhibit I believe it's 21.

7 Can you take a look at that and tell
8 me if you recognize that as the response to your
9 request for invoices for legal services.

10 A. This looks like something I've seen before,
11 yes.

12 Q. And would you agree with me that the
13 invoices include charges but there's no description
14 of what was actually performed?

15 A. It would appear that it was written in the
16 2009 rate case for example. They wrote 2009 rate
17 case. That was their explanation for the hours
18 billed and the subsequent charges.

19 Q. So there was no further detail included in
20 these invoices, is that correct?

21 A. Not here.

22 Q. And, in fact, you did not review any

1 document that had details of the actual services
2 provided for the amounts billed, isn't that correct?

3 A. If this is what I received here, that would
4 be correct.

5 Q. Now, Mr. Wilcox, I noticed that you are a
6 fairly recent addition to the staff of the Commerce
7 Commission. You started in October of 2008?

8 A. That's correct.

9 Q. And have you offered testimony in other
10 cases?

11 A. Yes.

12 Q. How many cases have you offered testimony?

13 A. Half a dozen or so.

14 Q. Half a dozen.

15 Before you came to the Commerce
16 Commission, what were you doing?

17 A. I was an internal auditor for about 25
18 years.

19 Q. An internal auditor?

20 A. Yes.

21 Q. Where were you an internal auditor?

22 A. I was with the Illinois Department of

1 Transportation for about nine years, and before that
2 I was with the federal government.

3 I did spend a year with a bank in
4 Hillsboro in between.

5 Q. Oh, so that was maybe ten years ago?

6 A. Yeah, about that.

7 Q. Have you participated in a rate case
8 before?

9 A. Yes.

10 Q. Which rate case did you participate in?

11 A. Peoples Gas.

12 Q. Did they use a future test year?

13 A. Yes, they did.

14 Q. Do you agree with me that in setting a
15 revenue requirement, the Commission is establishing
16 how much money a company has indicated it needs to
17 operate going forward?

18 A. Yes.

19 Q. And do you agree with me that it's the
20 responsibility of the company to manage its costs
21 after a rate case has been concluded to operate its
22 business as best it can?

1 A. Yes.

2 Q. And if the company incurs more cost than it
3 indicated in its rate case, then it makes less money,
4 isn't that correct?

5 A. That would be true.

6 Q. And if it manages its costs better so that
7 its costs are lower, then its shareholders receive a
8 benefit, isn't that correct?

9 A. Yes.

10 Q. So there will always be some diversion --
11 do you think there will always be some difference
12 between the estimates in a rate case and the actuals?

13 A. Yes.

14 MS. SATTER: Okay. I have no further
15 questions. I would like to move for the admission of
16 AG Cross Exhibits 19, 20 and 21.

17 JUDGE TAPIA: Could you identify those three
18 exhibits that you are offering?

19 MS. SATTER: AG Cross Exhibit 19 is a one-page
20 document. It's a copy from Docket 07-0507 of
21 Schedule C-10.1.

22 JUDGE TAPIA: The docket number is 07 --

1 MS. SATTER: 07-0507.

2 JUDGE TAPIA: Okay.

3 MS. SATTER: AG Cross Exhibit 20 is entitled

4 ICC LHW 305C, R-1, a summary of fees and expenses

5 updated. See summary of invoices.

6 JUDGE TAPIA: Can you give me a number again,

7 that docket? It's not a docket number but it's --

8 MS. SATTER: Oh, it's a data request number.

9 JUDGE TAPIA: Oh, a data request.

10 MS. SATTER: Yeah, that's a data request

11 response. It's ICC LHW 3.05 is the data request.

12 JUDGE TAPIA: Okay. And AG Cross Exhibit 21?

13 MS. SATTER: Is the response to ICC data

14 request LHW 3.05(b) R-1, and that's 20 pages.

15 JUDGE TAPIA: I'm sorry, Ms. Satter. You're

16 going too fast for me. ICC data request number...

17 MS. SATTER: LHW 3.05(b) R-1, legal invoices

18 update, and it has 20 pages.

19 JUDGE TAPIA: Ms. Buell, any objections to AG

20 Cross Exhibits 19, 20 and 21?

21 MS. BUELL: Yes, Your Honor. Staff objects to

22 all three.

1 As previously indicated, staff objects
2 to AG Cross Exhibit 19 because this is a company
3 schedule provided in the company's last rate case
4 being used for the purpose of soliciting Mr. Wilcox's
5 opinion regarding the entire rate case, Docket No.
6 02-0690. This is a document upon which Mr. Wilcox
7 should not be asked to testify. It's a company
8 exhibit, and it would have been more appropriate to
9 cross-examine a company witness on this exhibit, not
10 a staff witness. Staff is not sponsoring this
11 schedule, this accompanying schedule.

12 Staff also objects to the admission of
13 AG Cross Exhibit 20 because it is simply a single
14 page from what purports to be a company response to a
15 staff data request. We don't know what the question
16 is. We don't know what the narrative response was,
17 if there even was a narrative response to it.

18 And staff has the same objection to AG
19 Cross Exhibit Exhibit 21 which purports to be a
20 company response to staff data request.

21 Again, there's no question if there
22 was a narrative response it's also not included.

1 JUDGE TAPIA: Ms. Satter?

2 MS. SATTER: First, in response to the
3 objections to AG Cross Exhibit 19, Mr. Wilcox
4 testified as to his review of the reasonableness of
5 this particular expense item. He admitted that this
6 was available to him, and he did not review it, and I
7 think that it's appropriate on cross to present to
8 the Commission, you know, what could have been looked
9 at, something that was perfectly available to him and
10 could have assisted him in his analysis.

11 So I think that offering it in that
12 context is appropriate.

13 In addition, this comes from the ICC's
14 own records, so I don't think there's any question as
15 to authenticity.

16 As to 20 and 21, if the staff wants to
17 add the cover page, I'm happy to add the question and
18 answer. They can do that on redirect. I can't
19 imagine that that's a problem.

20 On the other hand, I don't think
21 that's an obstacle to admitting it. You know, the
22 question is what was reviewed. These are the things

1 that Mr. Wilcox reviewed. I think the Commission is
2 entitled to see what was presented to him.

3 JUDGE TAPIA: Ms. Buell, in regards to
4 Ms. Satter's inclusion of the question in 20 and 21,
5 do you still have an objection?

6 MS. BUELL: I would have to see the question,
7 Your Honor, and the narrative response. I do not
8 have that in front of me. Frankly, there were so
9 many data requests and responses, I did not make
10 copies of all of them, so before I could say, I would
11 need to see them.

12 JUDGE TAPIA: Okay. I'm going to go ahead and
13 reserve ruling on Exhibit 20 and 21.

14 As far as the Cross exhibit No. 19, I
15 agree with Ms. Satter. I think, again, the witness
16 has testified that he had access to it. Although he
17 didn't review this particular, he stated his opinion,
18 and I think it's relevant in this case.

19 So AG Cross Exhibit 19 is admitted
20 into evidence, and then 20 and 21 will be reserved
21 for later today.

22

1 (Whereupon AG Cross Exhibit 19
2 was admitted into evidence at
3 this time.)
4 MS. SATTER: Thank you.
5 JUDGE TAPIA: Ms. Satter, have you completed?
6 MS. SATTER: Yes.
7 JUDGE TAPIA: Mr. Alperin, do you have any
8 questions?
9 MR. ALPERIN: I have no questions of this
10 witness.
11 JUDGE TAPIA: Anyone else?
12 MR. STURTEVANT: Actually, Your Honor, I have
13 some questions before we get to Ms. Buell's redirect.
14 JUDGE TAPIA: Okay.
15 MR. STURTEVANT: Good morning, Mr. Wilcox. My
16 name is Albert Sturtevant. I'm an attorney for
17 Illinois-American Water Company. I just wanted to
18 ask some additional questions related to your
19 testimony here today.
20 CROSS-EXAMINATION
21 BY MR. STURTEVANT:
22 Q. Ms. Satter for the Attorney General

1 referred you to a series of invoices that were marked
2 as DR ICC LHW 305(b) R-1, is that correct?

3 A. Yes.

4 Q. And in testifying regarding those invoices,
5 you testified regarding the detail that was present
6 in those invoices, is that correct?

7 A. Yes.

8 Q. And I think specifically you said something
9 along the lines of the rate case dollars were shown,
10 the number of hours, is that correct?

11 A. Okay. I'm looking at Cross Exhibit 21, and
12 the detail on the front page says 2009 rate case,
13 \$16,275. Everything else has been redacted.

14 Q. Okay. Thank you.

15 Could you turn to page 8 of that
16 exhibit, and I guess I'd ask you to take a quick look
17 at, for example, pages 8, 9 and 10 of that exhibit.

18 A. Okay. We're talking 8 of 20?

19 Q. Yes, 8 of 20 and 9 of 20.

20 A. Okay.

21 Q. On those pages, there is information that
22 identifies attorney work hours by day, is that

1 correct?

2 A. Yes, and it looks like one hour for the
3 first entry for instance.

4 Q. Okay. So for an individual day, there's an
5 individual name of an individual?

6 A. Yes.

7 Q. And hours worked for that individual for
8 that day, is that correct?

9 A. Presumably, yes.

10 Q. Okay. In addition, Mr. Wilcox, I believe
11 you testified earlier that this data response and
12 some of the other data responses that Ms. Satter
13 referred you to were part of a large number of data
14 responses on the issue of rate case expenses that you
15 reviewed, is that correct?

16 A. That's correct.

17 Q. And in particular, I'd like to show you
18 what I will mark as IAWC Cross Exhibit 1, and
19 unfortunately, I do not have any additional copies of
20 this document at this time. It is entitled Data
21 Request No. LHW 501.

22 JUDGE TAPIA: Mr. Sturtevant, could you state

1 the exhibit number again?

2 MR. STURTEVANT: Yeah, IAWC Cross Exhibit 1,
3 and I'd be happy for counsel to take a look at it
4 first before I show my only copy to the witness.

5 MS. BUELL: Thank you.

6 MS. SATTER: Mr. Sturtevant and Ms. Buell, are
7 you aware that the response to LHW 5.01 has been
8 attached to Mr. Wilcox's testimony?

9 MS. BUELL: Yes.

10 MS. SATTER: Is that the same document?

11 MR. STURTEVANT: Is that the same document? I
12 was not aware of that.

13 Well, I'll just ask you to make sure.

14 Q. Mr. Wilcox, are you familiar with this data
15 request?

16 A. Yes.

17 Q. And you reviewed that data response?

18 A. Yes.

19 Q. And is that data response attached as an
20 exhibit to your testimony?

21 A. Yes, it is.

22 Q. And would you agree that that data response

1 provides a narrative description of the company's
2 position regarding the reasonableness of their rate
3 case expense?

4 A. Okay. I'm going to read the first part of
5 their response.

6 "IAWC objects to this request as
7 calling for a legal conclusion. IAWC further objects
8 to this request as overly broad and unduly
9 burdensome. Subject to and without waiving these
10 objections, IAWC responds as follows..." And then
11 goes on from there, and then they actually explain
12 the nature of the expenses.

13 I suppose they said that they feel
14 that the expenses are justified.

15 MR. STURTEVANT: Okay. Thank you, Mr. Wilcox.
16 I have no further questions.

17 JUDGE TAPIA: Thank you, Mr. Sturtevant.

18 Ms. Buell, redirect?

19 MS. BUELL: Yes, Your Honor.

20 MS. SATTER: Can I just, given that reference,
21 I would just like to follow up a little bit on that.

22

1 CROSS-EXAMINATION

2 BY MS. SATTER:

3 Q. Did you rely on the response in 5.01 in
4 finding that the rate case expense was just and
5 reasonable?

6 A. It was one of the things I considered, yes.

7 Q. And in the response to looking at (A), it
8 says that you compared -- the company compares the
9 expense in this case to their actual expenses
10 relative to 07-0507, right?

11 A. I'd have to review this, but...

12 Q. Can you accept that -- here, I can tell you
13 what line it is if you want. Ninth from the bottom
14 under legal fees and expenses, also represents a
15 lower amount.

16 A. Yes. First sentence in the legal fees and
17 expenses paragraph states the reason why the company
18 feels the expenses are just and reasonable.

19 Q. So they've compared to the amounts actually
20 incurred, right?

21 A. Yes.

22 Q. And not to the amounts actually allowed, is

1 that right?

2 A. That would be correct.

3 Q. And when you saw that difference, you
4 disregarded that difference because you don't put a
5 lot of weight on estimates, is that right?

6 A. I can't imagine why I would use the
7 previous estimate if I had an actual number. I can't
8 grasp why I would do that.

9 Q. To the extent that the actual numbers are
10 different, did you investigate what differences
11 existed in this case versus the last case if there
12 were differences in actual amounts?

13 A. Do you mean disparities in reporting actual
14 amounts from the '07 case?

15 Q. Yes.

16 A. I don't think I noted any disparities in
17 reporting '07 amounts.

18 Q. So for example, in the demand study, you
19 didn't ask the staff what the differences were in the
20 demand studies that might account for a difference in
21 cost in the rate case expense?

22 A. I don't recall if I did or I didn't.

1 Q. And in terms of the service company study
2 being \$422,900, you didn't evaluate that in terms of
3 any other study that was in the record, whether that
4 cost was reasonable in light of the other studies
5 that were included?

6 A. I am fairly certain I did not compare that
7 demand study, the actual cost, to any other demand
8 study actual cost.

9 Q. What about the service company study?

10 A. No. I would not have compared that to some
11 other company somewhere sometime.

12 Q. Did you compare it to any other study in
13 this case?

14 A. I don't know if there were any other
15 studies in this case.

16 Q. Are you aware of the difference between the
17 service company study and, for example, the cost of
18 service study referenced in 5.01?

19 A. Could you elaborate, please?

20 Q. Do you know what those two studies looked
21 at?

22 A. Not specifically, no.

1 Q. How about the lead lag study? That's more
2 of an accounting study. Did you look at the lead lag
3 study cost for this case versus the last case,
4 evaluate if there were differences in the studies?

5 A. I think I ran a little spreadsheet, and I
6 compared the cost from the last case, the actual, to
7 the projected cost in the current case.

8 In fact, I think that's maybe 10-1 or
9 10-2. I think the company does that too although
10 their percentages were reported incorrectly, and if I
11 had significant deviations, I think I put out a DR
12 asking why although I don't remember the number. I
13 don't remember the specifics. This is something that
14 I likely would have done under the circumstances.

15 Q. But you don't remember any particular
16 reason why one cost was higher in this case than in
17 another case in the prior case?

18 A. No, I don't.

19 MS. SATTER: All right. Thank you.

20 JUDGE TAPIA: Thank you, Ms. Satter.

21 Ms. Buell, redirect?

22 MS. BUELL: Yes. Thank you, Your Honor.

1 REDIRECT EXAMINATION

2 BY MS. BUELL:

3 Q. Mr. Wilcox, do you recall when counsel
4 for the AG asked you about your background?

5 A. It's been so long ago but, yeah, I think I
6 generally recall that.

7 Q. Mr. Wilcox, is it correct that you are a
8 licensed certified public accountant, a certified
9 internal auditor, and a certified government
10 financial manager?

11 A. That's correct.

12 Q. Is it also correct that you're a member of
13 the American Institute of Certified Public
14 Accountants, Institute of Internal Auditors, and the
15 Illinois Certified Public Accountants Society?

16 A. That's also correct.

17 Q. Do you recall when counsel for the AG asked
18 you about how many Commission proceedings you had
19 testified in?

20 A. Yes.

21 Q. And you indicated that you had previously
22 testified in a large rate case concerning Peoples

1 Gas, is that correct?

2 A. That's correct.

3 Q. And in that Peoples Gas rate case
4 proceeding, did you propose adjustments?

5 A. Yes, I think I proposed a total of four.

6 Q. Four adjustments.

7 And have those four adjustments been
8 accepted by the Commission?

9 A. Yes. They were all accepted in their
10 entirety.

11 Q. And, Mr. Wilcox, did you recall when both
12 counsel for AG and for Illinois-American asked you
13 about your rate case expense analysis?

14 A. Yes.

15 Q. In particular, you were shown the company's
16 response to staff data request LHW 5.01, is that
17 correct?

18 A. Yes.

19 Q. And is it also correct that you have
20 attached the company's response to LHW 5.01 to your
21 direct testimony?

22 A. That's correct.

1 Q. And would you agree with me that in your
2 direct testimony on the bottom of page 3 and
3 continuing to the top of page 4, you indicate that
4 you have attached the responses to both staff data
5 request LHW 5.01 and 7.01 to your testimony and that
6 these responses provide a basis for the Commission to
7 assess whether the company's proposed expenditures
8 compensate attorneys or technical experts to prepare
9 and litigate the instant proceeding are just and
10 reasonable?

11 A. That was the purpose, yes.

12 MS. BUELL: Thank you. I have no further
13 redirect.

14 JUDGE TAPIA: Thank you, Ms. Buell.

15 Any recross?

16 MS. SATTER: No.

17 JUDGE TAPIA: Thank you, Mr. Wilcox.

18 (Witness excused.)

19 JUDGE TAPIA: Before we go on to the next
20 witness, let's take a five-minute break.

21 (Recess taken.)

22 JUDGE TAPIA: Okay. We're back on the record.

1 If staff would call their next witness.

2 MR. LANNON: Thank you, Your Honor.

3 Staff would call Mr. Christopher L.

4 Boggs.

5 JUDGE TAPIA: Mr. Boggs, would you raise your

6 right hand.

7 (Whereupon the witness was sworn

8 by Judge Tapia.)

9 JUDGE TAPIA: Thank you.

10 Whenever you're ready, go ahead.

11 MR. LANNON: Thank you.

12 CHRISTOPHER L. BOGGS

13 called as a witness herein, on behalf of staff of the

14 Illinois Commerce Commission, having been first duly

15 sworn on his oath, was examined and testified as

16 follows:

17 DIRECT EXAMINATION

18 BY MR. LANNON:

19 Q. Can you please state your name?

20 A. Christopher L. Boggs (B-o-g-g-s).

21 Q. And who is your employer and what is your

22 business address?

1 A. Illinois Commerce Commission, 527 East
2 Capitol, Springfield, Illinois, 62701.

3 Q. And what is your position at the Illinois
4 Commerce Commission?

5 A. I'm a rates analyst.

6 Q. Did you prepare written exhibits for
7 submittal in this proceeding?

8 A. I did.

9 Q. Do you have before you a document which has
10 been marked for identification as ICC Staff
11 Exhibit 7.0 which consists of a cover page, table of
12 contents, 30 pages of narrative testimony, and it's
13 titled "Direct Testimony of Christopher L. Boggs"?

14 A. Yes.

15 Q. Did you prepare that document?

16 A. Yes.

17 Q. Do you also have before you a document
18 which has been marked for identification as ICC Staff
19 Exhibit 14.0 RC which consists of a cover page, 30
20 pages of narrative testimony, Attachment 14.1 RC, and
21 is titled "Corrected Revised Rebuttal Testimony of
22 Christopher L. Boggs"?

1 A. I believe that was 13, not 30 pages.

2 Q. Oh, thank you. You're right. 13 pages,
3 not 30 pages of narrative testimony.

4 A. Yes.

5 Q. And did you prepare that document for
6 presentation in this matter?

7 A. Yes.

8 Q. Do you have any corrections to make to ICC
9 Staff Exhibits 7.0 or 14.0 RC?

10 A. I do not.

11 Q. Is the information contained in ICC Staff
12 Exhibits 7.0 and 14.0 RC true and correct to the best
13 of your knowledge?

14 A. Yes, they are.

15 Q. And if I were to ask the same questions as
16 set forth in Staff Exhibit 7.0 and 14.0 RC, would
17 your responses be the same today?

18 A. Yes.

19 MR. LANNON: Your Honor, I'd move for admission
20 into evidence ICC Staff Exhibits 7.0 and 14.0 RC
21 including Schedule 14.1 RC.

22 JUDGE TAPIA: Any objection to the admission of

1 those exhibits stated by Mr. Lannon?

2 Hearing no objection, ICC Staff

3 Exhibit 7.0 which is the direct testimony of

4 Mr. Boggs and ICC Staff Exhibit 14.0 RC along with

5 the Schedule 14.1 RC is admitted into evidence.

6 Thank you, Mr. Lannon. You can

7 continue.

8 (Whereupon ICC Staff Exhibits

9 7.0 and 14.0 RC were admitted

10 into evidence at this time.)

11 MR. LANNON: Thank you.

12 Mr. Boggs is available for

13 cross-examination.

14 MS. SATTER: I have no questions.

15 JUDGE TAPIA: Okay. Mr. Alperin?

16 MR. ALPERIN: I have no questions. Thank you.

17 JUDGE TAPIA: Mr. Balough?

18 MR. BALOUGH: No questions.

19 JUDGE TAPIA: The company?

20 MR. STURTEVANT: No questions.

21 JUDGE TAPIA: Thank you, Mr. Boggs.

22 (Witness excused.)

1 JUDGE TAPIA: Staff will call their next
2 witness.

3 MS. BUELL: Thank you, Your Honor.

4 Staff calls Daniel Kahle to the stand.

5 Mr. Kahle has not been sworn in, Your
6 Honor.

7 JUDGE TAPIA: If you would raise your right
8 hand.

9 (Whereupon the witness was sworn
10 by Judge Tapia.)

11 JUDGE TAPIA: Thank you, Mr. Kahle.

12 Whenever you're ready, Ms. Buell.

13 MS. BUELL: Thank you, Judge.

14 DANIEL KAHLE

15 called as a witness herein, on behalf of staff of the
16 Illinois Commerce Commission, having been first duly
17 sworn on his oath, was examined and testified as
18 follows:

19 DIRECT EXAMINATION

20 BY MS. BUELL:

21 Q. Mr. Kahle, would you please state your full
22 name for the record and spell your last name

1 A. Daniel Kahle. Last name is spelled
2 K-a-h-l-e.

3 Q. Mr. Kahle, by whom are you employed?

4 A. The Illinois Commerce Commission.

5 Q. And what is your position with the Illinois
6 Commerce Commission?

7 A. I am an accountant in the Financial
8 Analysis Division.

9 Q. And have you prepared written testimony for
10 purposes of this proceeding?

11 A. Yes.

12 Q. Do you have before you a document which has
13 been marked for identification as ICC Staff
14 Exhibit 1.0 consisting of a cover page, table of
15 contents, 17 pages of narrative testimony,
16 Schedules 1.1 through 1.11, and is titled "Direct
17 Testimony of Daniel Kahle's?

18 A. Yes.

19 Q. And is this a true and correct copy of your
20 direct testimony?

21 A. Yes.

22 Q. And do you also have a document which has

1 been marked for identification as ICC Staff
2 Exhibit 8.0R consisting of a cover page, table of
3 contents, 12 pages of narrative testimony,
4 Schedules 8.1 through 8.7R, and is titled "Rebuttal
5 Testimony of Daniel Kahle"?

6 A. Yes.

7 Q. And is this a true and correct copy of your
8 rebuttal testimony?

9 A. Yes.

10 Q. Do you have any changes to make to your
11 prepared revised rebuttal testimony, Mr. Kahle?

12 A. Yes, I do.

13 Q. What is that change?

14 A. After reviewing the surrebuttal testimony
15 of the company witness Kerkove, I am no longer
16 sponsoring my proposed adjustments to cash working
17 capital that appear from lines 153 through 230 of my
18 revised rebuttal testimony.

19 Q. Now, Mr. Kahle, is the information
20 contained in your direct and revised rebuttal
21 testimony and in your company schedules true and
22 correct to the best of your knowledge?

1 A. Yes.

2 Q. And except for the one change you just made
3 to your revised rebuttal testimony, if you were asked
4 the same questions today, would your responses be the
5 same?

6 A. Yes.

7 MS. BUELL: Your Honor, at this time, I ask for
8 admission into evidence Mr. Collins prepared direct
9 testimony, ICC Staff Exhibit 1.0 including the
10 attached schedules, and Mr. Kahle's prepared rebuttal
11 testimony marked as ICC Staff Exhibit 8.0R including
12 the attached schedules.

13 And I'd note for the record that these
14 are the documents that were filed with the
15 Commission's e-docket system on September 28, 2009
16 for his direct testimony and November 24, 2009 for
17 his revised rebuttal testimony.

18 JUDGE TAPIA: Thank you, Ms. Buell.

19 Any objection to the admission of
20 those exhibits?

21 Hearing no objection, ICC Staff
22 Exhibit 1.0, along with the Schedules 1.1 to 1.11,

1 which is the direct testimony of Mr. Kahle, and ICC
2 Staff Exhibit 8.0R with the attached schedules are
3 admitted into evidence.

4 (Whereupon ICC Staff Exhibits
5 1.0 and 8.0R were admitted into
6 evidence at this time.)

7 MS. BUELL: Thank you, Your Honor.

8 I tender Mr. Kahle for
9 cross-examination.

10 JUDGE TAPIA: Thank, Ms. Buell.

11 Ms. Satter?

12 MS. SATTER: No thank you.

13 JUDGE TAPIA: Mr. Alperin?

14 MR. ALPERIN: I have nothing, Your Honor.

15 Thank you.

16 JUDGE TAPIA: The company?

17 MR. STURTEVANT: Nothing, Your Honor.

18 JUDGE TAPIA: Thank you, Mr. Kahle.

19 (Witness excused.)

20 JUDGE TAPIA: Staff will call their next
21 witness.

22 MR. LANNON: Thank you, Your Honor.

1 Staff calls Peter Lazare.

2 JUDGE TAPIA: Mr. Lazare, if you can raise your
3 right hand.

4 (Whereupon the witness was sworn
5 by Judge Tapia.)

6 JUDGE TAPIA: Thank you.

7 PETER LAZARE

8 called as a witness herein, on behalf of staff of the
9 Illinois Commerce Commission, having been first duly
10 sworn on his oath, was examined and testified as
11 follows:

12 DIRECT EXAMINATION

13 BY MR. LANNON:

14 Q. Can you please state your full name for the
15 record spelling your last name?

16 A. Peter Lazare (L-a-z-a-r-e).

17 Q. And who is your employer and what is your
18 business address?

19 A. Illinois Commerce Commission. Business
20 address is 527 East Capitol Avenue, Springfield,
21 62701.

22 Q. What's your position at the Illinois

1 Commerce Commission?

2 A. Senior rates analyst.

3 Q. Did you prepare written exhibits for

4 submittal in this proceeding?

5 A. Yes.

6 Q. Do you have before you a document which has

7 been marked for identification as ICC Staff

8 Exhibit 6.0 which consists of a cover page, table of

9 contents, 39 pages of narrative testimony,

10 Schedules 1 through 3, and is titled "Direct

11 Testimony of Peter Lazare"?

12 A. Yes.

13 Q. Did you prepare that document?

14 A. Yes.

15 Q. Do you have before you a document which has

16 been marked for identification as ICC Staff

17 Exhibit 13.0 which consists of a cover page, 26 pages

18 of narrative testimony and is titled "Rebuttal

19 Testimony of Peter Lazare"?

20 A. Yes.

21 Q. Did you prepare that document?

22 A. Yes.

1 Q. Do you have any corrections to make to ICC
2 Staff Exhibits 6.0 or 13.0?

3 A. No.

4 Q. Is the information contained in ICC Staff
5 Exhibits 6.0 and 13.0 true and correct to the best of
6 your knowledge?

7 A. Yes.

8 Q. And if I were to ask the same questions as
9 contained in Staff Exhibit 6.0 and 13.0, would your
10 responses be the same today?

11 A. Yes.

12 MR. LANNON: Your Honor, I'd move for admission
13 into evidence ICC Staff Exhibit 6.0, including
14 Schedules 1 through 3, and ICC Staff Exhibit 13.0.

15 JUDGE TAPIA: Thank you.

16 Any objection to the exhibits just
17 stayed by Mr. Lannon?

18 Hearing no objection, ICC Staff
19 Exhibit 6.0 which is the direct testimony of
20 Mr. Lazare along with the Schedules 1 to 3 and ICC
21 Staff Exhibit 13.0 which is rebuttal testimony of
22 Mr. Lazare will be admitted.

1 (Whereupon ICC Staff Exhibits
2 6.0 and 13.0 were admitted into
3 evidence at this time.)
4 JUDGE TAPIA: Ms. Satter?
5 MS. SATTER: No thank you.
6 JUDGE TAPIA: Mr. Alperin?
7 MR. ALPERIN: Nothing at this time. Thank you.
8 JUDGE TAPIA: Mr. Balough?
9 MR. BALOUGH: No questions, Your Honor.
10 JUDGE TAPIA: And the company?
11 MR. STURTEVANT: No questions, Your Honor.
12 JUDGE TAPIA: Thank you, Mr. Lazare.
13 (Witness excused.)
14 JUDGE TAPIA: Moving right along, if staff
15 would call their next witness.
16 MR. LANNON: Thank you, Your Honor. Staff
17 calls Mr. Philip Rukosuev.
18 JUDGE TAPIA: Mr. Rukosuev, could you raise
19 your right hand?
20 (Whereupon the witness was sworn
21 by Judge Tapia.)
22 JUDGE TAPIA: Thank you.

1 Mr. Lannon, go ahead whenever you're
2 ready.

3 MR. LANNON: Thank you, Your Honor.

4 PHILIP RUKOSUEV
5 called as a witness herein, on behalf of staff of the
6 Illinois Commerce Commission, having been first duly
7 sworn on his oath, was examined and testified as
8 follows:

9 DIRECT EXAMINATION

10 BY MR. LANNON:

11 Q. Please state your full name for the record
12 spelling your last name.

13 A. First name is Philip; last name is Rukosuev
14 Rukosuev (R-u-k-o-s-u-e-v).

15 Q. Who is your employer and what is your
16 business address?

17 A. I'm employed by the Illinois Commerce
18 Commission, and the address is 527 East Capitol
19 Avenue, Springfield, Illinois 62701.

20 Q. And what's your position at the Illinois
21 Commerce Commission?

22 A. I'm employed as a rate analyst in the

1 Financial Analysis Division.

2 Q. Did you prepare written exhibits for
3 submittal in this proceeding?

4 A. I did.

5 Q. Do you have before you a document which has
6 been marked for identification as ICC Staff
7 Exhibit 5.0 which consists of a cover page, 47 pages
8 of narrative testimony, and is titled "Direct
9 Testimony of Philip Rukosuev?

10 A. Yes.

11 Q. Did you prepare that document for
12 presentation in this matter?

13 A. Yes, I did.

14 Q. And you also have before you a document
15 marked for identification as ICC Staff Exhibit 12.0R
16 which consists of a cover page, 20 pages of narrative
17 testimony, Attachments 12.1R, 12.2R, and 12.3R, and
18 is titled "Revised Rebuttal Testimony of Philip
19 Rukosuev?

20 A. Yes.

21 Q. Did you prepare that document for
22 presentation in this matter?

1 A. I did.

2 Q. Did you have any corrections to ICC Staff
3 Exhibit 5.0, your direct testimony?

4 A. No.

5 Q. I believe you had some corrections to your
6 revised testimony or your revised rebuttal testimony
7 which is ICC Staff Exhibit 12.0R, is that right?

8 A. Yes, I do.

9 Q. And is the first correction on page 7?

10 A. Yes.

11 Q. Can you identify that correction?

12 A. Line 135 says 89.09 percent change.

13 Q. It was changed to 89.09 percent, correct?

14 A. Yes.

15 Q. And is your next correction on page 9 of
16 your revised rebuttal testimony?

17 A. Yes.

18 Q. And the first corrections on page 9 would
19 be in Table 2, is that correct?

20 A. Yes.

21 Q. And would that be the column identified as
22 monthly increase, residential?

1 A. Yes.

2 Q. All the numbers contained in that column
3 are changed?

4 A. Yes.

5 Q. And the column identified as monthly dollar
6 increase, commercial, were all the numbers in that
7 column changed?

8 A. Yes.

9 Q. And the column identified as monthly dollar
10 increase industrial, were all the numbers contained
11 in that column changed?

12 A. Yes.

13 Q. And did you have one further change on page
14 9?

15 A. Yes. Line 180, it was changed to 97
16 percent.

17 Q. And on page 10, did you have some changes
18 in Table 3, page 10?

19 A. Yes.

20 Q. And the numbers contained in nonresidential
21 proposed column, were all the numbers changed there?

22 A. Yes.

1 Q. And were all the numbers changed in the
2 column identified as nonresidential percentage
3 increase changed?

4 A. Yes.

5 Q. And was the number contained in the column
6 identified as residential a proposed change?

7 A. Yes.

8 Q. And likewise, was there a change in the
9 column identified as residential percentage increase?

10 A. That's correct, yes.

11 Q. And turning to page 15, did you have
12 changes on that page contained in Table A?

13 A. Yes.

14 Q. And were the numbers contained in the
15 column identified as average bill impacts under
16 staff's proposed rates, residential, all changed?

17 A. Yes.

18 Q. Likewise, were the numbers contained in the
19 column identified as average bill impacts under
20 staff's proposed rates, commercial, all changed?

21 A. Yes.

22 Q. Likewise, were the numbers contained in the

1 column identified as average bill impacts under
2 staff's proposed rates, industrial/large commercial,
3 all changed?

4 A. Yes.

5 Q. Were those all the changes you had in your
6 revised rebuttal testimony?

7 A. Yes.

8 Q. And did you prepare that document for
9 presentation in this matter?

10 A. Yes.

11 Q. And subject to the corrections you just
12 noted, is the information contained in ICC Staff
13 Exhibit 5.0 and 12.0R true and correct to the best of
14 your knowledge?

15 A. Yes.

16 Q. And subject to the corrections you already
17 pointed out, if I were to ask the same questions as
18 set forth in ICC Staff Exhibits 5.0 and 12.0R, would
19 your responses be the same today?

20 A. Yes.

21 MR. LANNON: Your Honor, I'd move for admission
22 into evidence ICC Staff Exhibits 5.0 and 12.0R

1 including attachments 12.1R, 12.2R, and 12.3R.

2 JUDGE TAPIA: Thank you, Mr. Lannon.

3 Any objections to the admission of
4 those exhibits?

5 MR. STURTEVANT: No, none here.

6 JUDGE TAPIA: Hearing no objection, ICC Staff
7 Exhibit 5.0, 12.0R and the attached Exhibits 12.01R
8 through 12.03R subject to the corrections stated on
9 the record are admitted into evidence.

10 (Whereupon ICC Staff Exhibits
11 5.0 and 12.0R thru 12.03R were
12 admitted into evidence at this
13 time.)

14 MR. LANNON: And, Your Honor, I'll be filing a
15 clean version. I passed out a red line for everybody
16 in the room today, but later on this afternoon, we'll
17 file a clean version with updated schedules also.

18 JUDGE TAPIA: Okay.

19 MR. LANNON: Would you like me to title that
20 something like second revised rebuttal testimony?

21 JUDGE TAPIA: Yes, for clarification and for
22 the benefit of Judge Jones.

1 MR. LANNON: Will do.

2 Thank you, Your Honor, and with that,

3 Mr. Phil is available for cross-examination.

4 JUDGE TAPIA: Ms. Satter?

5 MS. SATTER: No thank you. I have no

6 questions.

7 JUDGE TAPIA: Mr. Alperin?

8 MR. ALPERIN: I'll defer to Mr. Balough.

9 JUDGE TAPIA: Okay. Mr. Balough?

10 MR. BALOUGH: Thank you. Good morning.

11 THE WITNESS: Good morning.

12 MR. BALOUGH: I just have a few questions for

13 you.

14 CROSS-EXAMINATION

15 BY MR. BALOUGH:

16 Q. In your recommendations, you're proposing

17 to leave the private fire protection charge for the

18 Chicago Metro area unchanged, is that correct?

19 A. That's correct.

20 Q. And the private fire protection charge is

21 the fee that Illinois-American charges to customers

22 who have their own fire sprinkling system in their

1 building, is that correct?

2 A. Yes. You asked you about Chicago Metro,
3 right?

4 Q. Chicago Metro, and my questions will just
5 be confined to Chicago Metro.

6 A. Uh-huh.

7 Q. Am I correct that the cost of service that
8 you reviewed indicated that that charge go down?

9 A. For private?

10 Q. For private.

11 A. No. I said it should be left unchanged.

12 Q. I understand you said it should be left
13 unchanged, but I believe, didn't you also testify
14 that the study that you looked at would indicate that
15 that charge should decrease?

16 A. No.

17 MR. LANNON: Could you point to a page if you
18 have one?

19 Q. You say on page 40 of Exhibit 5.0 that you
20 agree with the company that the private fire service
21 rates for Chicago Metro should remain unchanged, is
22 that correct?

1 A. That's correct.

2 Q. On the next page, you say that the rate
3 should not be decreased either because significant
4 increases are being proposed in other charges, is
5 that correct?

6 A. That's correct.

7 Q. So you're saying that you believe that the
8 cost of service indicates that that charge should not
9 be decreased?

10 A. Well, my reasoning was that I did not want
11 to decrease them because, first of all, I did not
12 want to create a greater increase in other charges,
13 thereby actually producing adverse bill impacts
14 possibly because if you decrease those revenues, you
15 have to shift them somewhere else. I did not find
16 that necessary, and that was my reasoning.

17 Q. Well, I guess my question is, did you find
18 that based upon a cost of service that they should
19 have been decreased?

20 A. I said in line 821, page 40 when I was
21 referring to the cost of service for Chicago Metro
22 Water District which is private, I said that the cost

1 of service is 654,339, and the company is actually
2 recovering more than cost of service, 902,420, that
3 was approved in the previous rate case which is
4 recovery of 138 percent.

5 The company did not propose an
6 increase in rates because they were recovering
7 actually more than cost of service, and I found that
8 they shouldn't be changed because the previous rate
9 case approved that specific increase. It was
10 approved in the previous rate case, and I didn't want
11 to touch that, and I left it unchanged basically.

12 Q. But you would agree that the cost of
13 service indicates that that rate should be
14 recovering, if we're doing a pure cost of service,
15 should be recovering \$654,339?

16 MR. LANNON: Objection. Asked and answered.

17 MR. BALOUGH: Your Honor, I don't think it
18 was -- I'm trying to ask a clearer question. I don't
19 think I got a clear answer.

20 JUDGE TAPIA: I agree with Mr. Balough. I
21 don't think the witness actually answered the
22 question.

1 Overruled.

2 THE WITNESS: Well, I can repeat the answer.

3 MR. BALOUGH: Let me just ask, yes or no, that
4 under the cost of service of the company that the
5 cost of service for private fire protection is
6 \$654,339?

7 A. That's correct.

8 Q. And is it correct, yes or no, that under
9 the present rates which you say should remain in
10 effect that they are collecting \$902,420?

11 A. That's correct.

12 Q. So if the rate were to be set at the cost
13 of service, it would indicate there should be a
14 decrease in the rate?

15 A. According to what you're saying, that's
16 correct.

17 Q. Okay. Let me ask you another question.

18 Did you review, in preparing your
19 testimony, any of the testimony filed by the
20 intervenors in this case?

21 A. Did I review any?

22 Q. Yes.

1 A. I'm familiar with the testimony of Homer
2 Glen.

3 Q. And you reviewed the testimony of Fire
4 Chief Michael Schofield?

5 (Pause)

6 A. I have not reviewed his testimony
7 originally when I was dealing with private fire.

8 Q. So if you had not reviewed his testimony,
9 would I be correct to assume that you did not do any
10 cost analysis as to the cost of a private fire
11 protection charge versus any cost decrease for the
12 price of insurance for a facility?

13 A. I have not done such an analysis, no.

14 Q. And you have not taken into account any
15 public policy issues concerning any tradeoffs between
16 a private fire protection charge and the ability of
17 builders to include fire protection facilities and
18 buildings, is that correct?

19 A. That's correct. I have not made such an
20 analysis.

21 MR. BALOUGH: I have no other questions.

22 JUDGE TAPIA: Thank you, Mr. Balough.

1 Any redirect?

2 MR. LANNON: No redirect, Your Honor.

3 JUDGE TAPIA: Thank you very much. You're

4 excused.

5 (Witness excused.)

6 JUDGE TAPIA: Staff can call their next

7 witness.

8 MS. BUELL: Thank you, Your Honor.

9 As I explained this morning, staff

10 witness Phil Hardas will be sponsoring the direct and

11 rebuttal testimony that was prefiled by staff witness

12 Sheena Kight-Garlis.

13 In that regard, staff calls Phil

14 Hardas to the stand.

15 JUDGE TAPIA: Mr. Hardas, would you raise your

16 right hand?

17 (Whereupon the witness was sworn

18 by Judge Tapia.).

19 JUDGE TAPIA: Thank you.

20 Ms. Buell, whenever you're ready.

21

22

1 PHIL HARDAS

2 called as a witness herein, on behalf of staff of the
3 Illinois Commerce Commission, having been first duly
4 sworn on his oath, was examined and testified as
5 follows:

6 DIRECT EXAMINATION

7 BY MS. BUELL:

8 Q. Mr. Hardas, would you please state your
9 full name and spell your last name for the record?

10 A. My name is Phil Hardas. Last name is
11 spelled H-a-r-d-a-s.

12 Q. And, Mr. Hardas, by whom are you employed?

13 A. I'm employed by the Illinois Commerce
14 Commission.

15 Q. And your position at the Illinois Commerce
16 Commission is...

17 A. I'm a senior financial analyst in the
18 Finance Department.

19 Q. Mr. Hardas, do you have before you a
20 document which has been marked for identification as
21 ICC Staff Exhibit 3.0 and is titled "Direct Testimony
22 of Sheena Kight-Garlisich"?

1 A. Yes.

2 Q. Is it your testimony today that you are
3 adopting the direct testimony of Ms. Kight-Garlich
4 as your own for this proceeding?

5 A. Yes.

6 MS. BUELL: Your Honor, for identification
7 purposes, this is the direct testimony that was filed
8 via the Commission's e-docket system on September 28,
9 2009, and attached to this testimony are
10 Schedules 3.1 and 3.2.

11 Q. Mr. Hardas, do you also have before you a
12 document which has been marked for identification as
13 ICC Staff Exhibit 10.0 and is titled "Rebuttal
14 Testimony of Sheena Kight-Garlich"?

15 A. Yes.

16 Q. Is it your testimony today that you are
17 adopting the rebuttal testimony of Ms. Kight-Garlich
18 as your own for this proceeding?

19 A. Yes.

20 MS. BUELL: And, Your Honor, for identification
21 purposes, this is the rebuttal testimony that was
22 filed via the Commission's e-docket system on

1 November 13, 2009 and attached to this testimony are
2 Schedules 10.1 and 10.2.

3 Q. Now, Mr. Hardas, with respect to the
4 questions and answers contained in the direct and
5 rebuttal testimony that you've just identified, would
6 your answers be the same today?

7 A. Yes.

8 Q. Are you aware of any corrections that
9 should be made to ICC Staff Exhibits 3.0 or 10.0?

10 A. No.

11 MS. BUELL: Your Honor, at this time, I would
12 ask for admission into evidence ICC Staff Exhibit 3.0
13 including Schedules 3.1 and 3.2 and ICC Staff
14 Exhibit 10.0 including Schedules 10.1 and 10.2.

15 And I'd note for the record that these
16 are the same documents that were filed via the
17 Commission's e-docket system on September 18th and
18 November 13, 2009 respectively.

19 JUDGE TAPIA: Thank you, Ms. Buell.

20 Any objection to the admission of
21 those exhibits just stated by Ms. Buell?

22 Hearing no objection, 3.0 which is the

1 direct testimony of Sheena Kight-Garlis ch along with
2 the Schedules 3.1 and 3.2 and Exhibit 10.0 which is
3 rebuttal testimony of Sheena Kight-Garlis ch with the
4 attached Schedules 10.1 and 10.2 are admitted into
5 evidence.

6 (Whereupon ICC Staff Exhibits
7 3.0 and 10.0 were admitted into
8 evidence at this time.)

9 MS. BUELL: Thank you, Your Honor.

10 I tender Mr. Hardas for
11 cross-examination.

12 JUDGE TAPIA: Ms. Satter?

13 MS. SATTER: Yes, I have a few questions.
14 Thank you.

15 JUDGE TAPIA: Go ahead.

16 MS. SATTER: Good morning. My name is
17 Susan Satter. I'm representing the People of the
18 State of Illinois. I have a few questions for you
19 focusing on the rebuttal testimony.

20 CROSS-EXAMINATION

21 BY MS. SATTER:

22 Q. Now, is it correct, and looking at

1 Schedule 10.1 as referenced, is it correct that staff
2 is recommending .003 percent of the capital structure
3 to be represented by short-term debt?

4 A. That's correct. If you're referring to
5 Schedule 10.1 for short-term debt and go over to the
6 weighted cost column, it would read .003 percent.

7 Q. And the percent of total capital is .15
8 percent, right?

9 A. That's correct.

10 Q. And the weighted cost is 3/1000 of one
11 percent, is that right?

12 A. Actually, that would be 3/10 of a basis
13 point.

14 Q. That's another way to say it.

15 And so in your testimony, you're
16 attributing approximately 1.08 million dollars for
17 short-term debt, is that correct?

18 A. That's what it shows on Schedule 10.1,
19 that's correct.

20 Q. Okay. Now, on page 2 of your Exhibit 10.0
21 which is the rebuttal, you essentially say that the
22 cost of short-term debt is immaterial because the

1 amount of short-term debt in the capital structure is
2 so small, is that correct?

3 A. That's correct.

4 Q. Okay. Now, do you agree that if the
5 portion of short-term debt were increased in the
6 capital structure and the portion of common equity
7 were reduced, it would reduce the revenue requirement
8 in this rate case?

9 A. I'm sorry. Can you repeat that again
10 exactly?

11 Q. Do you agree that if the portion of
12 short-term debt in the capital structure were
13 increased and the portion of common equity in the
14 capital structure were reduced, it would reduce the
15 revenue requirement in the case?

16 A. If you increase an input on the schedule
17 with a lower cost of debt, I'm sorry, with a lower
18 cost, which short-term debt is on the schedule 1.97
19 percent, if you increase the amount of any portion of
20 that and thus decrease an amount with a higher cost,
21 then, yes, it would change.

22 Q. Do you agree that ordinarily it's the

1 policy of ICC witnesses to use the actual short-term
2 debt rates as an input in determining the overall
3 cost of capital?

4 A. In this case, what I looked at would be --
5 if you're talking the Illinois-American's actual
6 short-term debt balances for 2009, I didn't review
7 those.

8 Q. Okay. Well, looking at line 40 on page 2
9 through line 41, 42, on page 3, is it your
10 understanding that as a general matter, you
11 ordinarily use the actual cost of short-term debt at
12 the time the case is being considered as an input?

13 A. That's correct if you're talking about the
14 cost.

15 Q. Yes.

16 A. Yes, and not the amount.

17 Q. Correct.

18 A. Yes, then the actual would be what was
19 referred.

20 Q. Okay. So if the actual rate of short-term
21 debt referenced in your testimony at line 36 which is
22 .4634 percent were applied to a short-term debt ratio

1 of 3.1 percent as opposed to zero percent, do you
2 agree that the revenue requirement would increase by
3 about three million?

4 A. I haven't looked at that, but I think I
5 answered your question in regards to if you're
6 actually increasing the portion of short-term debt
7 and that amount does increase and in relation you
8 decrease a higher cost component, then that would
9 change.

10 MS. SATTER: Okay. Thank you. That's all I
11 have.

12 JUDGE TAPIA: Thank you, Ms. Satter.

13 Mr. Alperin?

14 MR. ALPERIN: No questions. Thank you.

15 JUDGE TAPIA: The company?

16 MR. STURTEVANT: No questions, Your Honor.

17 JUDGE TAPIA: Any redirect?

18 MS. BUELL: Thank you, Your Honor. Staff has
19 no redirect.

20 JUDGE TAPIA: Thank you. You're excused.

21 (Witness excused.)

22 JUDGE TAPIA: Ms. Buell, that's your last

1 witness according to my list.

2 MS. BUELL: Yes, that's correct, Your Honor.

3 That was staff's last witness.

4 JUDGE TAPIA: Okay. Then we'll adjourn until

5 3 o'clock.

6 MS. BUELL: Your Honor, did we need to discuss

7 now the final cross exhibit offered by the Attorney

8 General?

9 JUDGE TAPIA: Okay. If you're ready to.

10 MS. SATTER: Yes. Ms. Buell was able to pull

11 the cover page for the response to LHW 3.05 update

12 which is what the documents that were marked as AG

13 Cross Exhibits 20 and 21 referred to.

14 JUDGE TAPIA: Okay.

15 MS. SATTER: And what I'd like to do, if this

16 won't be too confusing, is to offer AG Cross Exhibit

17 Exhibit 20 including the cover page and both of the

18 attachments that are referenced in the cover page so

19 that I would not need to label AG Cross Exhibit 21

20 because 21 would be subsumed as one of the two

21 attachments to AG Cross Exhibit 20.

22 JUDGE TAPIA: Okay. So you're just offering AG

1 Cross Exhibit No. 20 to include the cover pages with
2 the attachments?

3 MS. SATTER: Right. They're the same
4 documents.

5 JUDGE TAPIA: Okay. Then you're withdrawing
6 21?

7 MS. SATTER: But I will withdraw then 21 as
8 labeled previously.

9 JUDGE TAPIA: Okay. And there's no objection
10 to the admission of that exhibit?

11 MR. STURTEVANT: I guess, Your Honor, I don't
12 have an objection to the admission of this, but I
13 guess that would be subject to noting on the record
14 that this response is an update to response to LHW
15 304 as it says in the response here which contained
16 additional information beyond just what was in this
17 response.

18 JUDGE TAPIA: Okay. That's so noted then.

19 And, Ms. Buell, do you still have your
20 objection to AG Cross Exhibit 20 along with
21 Ms. Satter's update?

22 MS. BUELL: Your Honor, given the fact that the

1 staff data request and the response has now been
2 included, staff would have no further objection.

3 JUDGE TAPIA: Okay. Thank you, Ms. Buell.

4 Then hearing no objection, AG Cross
5 Exhibit No. 20, which includes the cover page with
6 attachments, is admitted into evidence, and AG cross
7 Exhibit No. 21 is withdrawn as Ms. Satter offered it.

8 (Whereupon AG Cross Exhibit 20
9 was admitted into evidence at
10 this time.)

11 MS. SATTER: Thank you.

12 And I will make copies and distribute
13 them at the close today.

14 JUDGE TAPIA: Okay. And then you'll also file
15 it on e-docket?

16 MS. SATTER: Yeah, I will file all of AG cross
17 exhibits on e-docket hopefully on Friday.

18 JUDGE TAPIA: Okay. Thank you, Ms. Satter.

19 Anything we need to discuss before we
20 adjourn?

21 MR. STURTEVANT: I guess my only question is if
22 you'd like, I could see if Mr. Duddles is available

1 sooner than 3 o'clock if everybody wants to sit
2 around for five minutes while I make the phone call
3 to his attorney and see what he has to say for
4 himself.

5 JUDGE TAPIA: Okay. Why don't we just take a
6 break. Why don't we take a ten-minute break and give
7 Mr. Sturtevant some time to call, and then we'll know
8 at noon.

9 (Recess taken.)

10 MR. STURTEVANT: The witness is apparently not
11 back in his office yet so I would recommend that we
12 just adjourn till 3 o'clock.

13 JUDGE TAPIA: We're adjourned till 3.

14 (Whereupon a recess was taken
15 from 12:15 p.m. to 3:00 p.m.)
16 (Whereupon the hearing
17 reconvened at 3:00 p.m. Present
18 are Mr. Sturtevant, Ms. Satter
19 via teleconference, Mr. Bartel
20 via teleconference, and Linda
21 Buell.)

22 JUDGE TAPIA: By the authority vested in me by

1 the Illinois Commerce Commission, I now call Docket
2 No. 09-0319. This is a case initiated by
3 Illinois-American Water Company, its rate increase
4 petition.

5 May I have appearances for the record
6 as far as this limited hearing?

7 MR. STURTEVANT: Your Honor, appearing on
8 behalf of Illinois-American Water Company, Albert
9 Sturtevant of Jones Day.

10 JUDGE TAPIA: Who entered his appearance
11 earlier.

12 MS. BUELL: Appearing on behalf of staff
13 witnesses of the Illinois Commerce Commission, Linda
14 M. Buell.

15 MS. SATTER: Appearing on behalf of the People
16 of the State of Illinois, Susan Satter, and I entered
17 my appearance earlier today.

18 MR. BARTEL: Appearing on behalf of the City
19 Des Plaines, Raymond P. Bartel. We entered an
20 appearance earlier on the docket I believe.

21 JUDGE TAPIA: Can you spell your last name,
22 Mr. Bartel?

1 MR. BARTEL: Certainly. B-a-r-t-e-l, staff
2 attorney for the City of Des Plaines.

3 JUDGE TAPIA: Mr. Bartel, did you enter your
4 appearance this morning?

5 MR. BARTEL: Not this morning, no. I believe
6 we e-filed it earlier in these proceedings.

7 JUDGE TAPIA: Oh, okay. Just go ahead for the
8 record and state your address and phone number,
9 please.

10 MR. BARTEL: Certainly. Address, 1420 Miner
11 Street, M-i-n-e-r Street, Des Plaines, Illinois,
12 60016.

13 JUDGE TAPIA: Thank you very much, Mr. Bartel.

14 Okay. We can go ahead and proceed.

15 My understanding is Mr. Duddles is
16 going to testify today.

17 MR. BARTEL: That is correct, and he is present
18 in the room.

19 JUDGE TAPIA: Okay. Mr. Duddles, if you can
20 raise your right hand.

21 (Whereupon the witness was sworn
22 by Judge Tapia.)

1 JUDGE TAPIA: Thank you.

2 Mr. Bartel, you can proceed.

3 Will you be -- well, do you have any
4 direct for your witness before Mr. Sturtevant has
5 some cross I believe?

6 MR. BARTEL: It's my understanding that the
7 cross is going to be conducted based upon
8 Mr. Duddles' written response to the surrebuttal
9 testimony of Bernard L. Uffelman.

10 JUDGE TAPIA: Okay.

11 MS. SATTER: Judge?

12 JUDGE TAPIA: Yes?

13 MS. SATTER: I believe that the City of
14 Des Plaines witnesses filed prefiled testimony. I
15 did not move to introduce this testimony this
16 afternoon, but I think that it's being offered
17 originally by affidavit, and then he was just going
18 to be present for this additional piece of testimony,
19 which is also prefiled, and cross-examination.

20 JUDGE TAPIA: Okay. So it's already been
21 filed? The affidavit has already been filed on
22 e-docket?

1 MR. BARTEL: That's correct.

2 JUDGE TAPIA: Okay. Okay. Then --

3 MR. STURTEVANT: I'm sorry. This is Albert
4 Sturtevant. Is the supplemental testimony, the
5 response to surrebuttal testimony of Bernard
6 Uffelman, was that filed on e-docket?

7 MR. BARTEL: I believe we noted that it was,
8 but I'll have to check the filing. We had it on
9 originally, but if not, I'll offer it instanter, I'll
10 have Mr. Duddles testify verbally, however everyone
11 wants to proceed.

12 JUDGE TAPIA: Well, Mr. Bartel, I'm only here
13 for the limited purpose of these proceedings. Judge
14 Jones will take over after today.

15 Did you want to admit it into
16 evidence?

17 MR. BARTEL: Yes. We move to admit the written
18 response of Mr. Duddles into evidence instanter. We
19 would make that motion and subject to the
20 cross-examination obviously of Mr. Sturtevant.

21 JUDGE TAPIA: Okay. So it would be the direct
22 testimony of Mr. Duddles and his supplemental

1 testimony?

2 MR. BARTEL: It would only be his supplemental
3 testimony. We did have on e-docket his direct
4 testimony.

5 JUDGE TAPIA: I see.

6 MR. BARTEL: We did offer that by affidavit.

7 JUDGE TAPIA: Okay. Is there any objection?

8 At this point, we don't have all the
9 parties here.

10 MS. BUELL: Judge, staff has seen the direct
11 testimony of Mr. Duddles but apparently was not
12 served with any additional testimony that was
13 prefiled by Mr. Duddles, so staff couldn't say
14 whether it objects to this testimony or not because
15 staff hasn't seen it.

16 JUDGE TAPIA: Okay. I'll take that as an
17 objection to the admission of the supplemental
18 testimony since, Mr. Bartel, staff doesn't seem to
19 have remembered being served the supplemental.

20 MR. BARTEL: We did not serve them, no. The
21 city did not serve them.

22 JUDGE TAPIA: Ms. Satter, do you have any

1 position?

2 MS. SATTER: My understanding is that in
3 connection with the resolution of outstanding motions
4 to strike, there was a message from the city and some
5 various parties and the company that Mr. Duddles
6 couldn't respond.

7 Now, that was not part of the motion
8 to strike and, I'm sorry, was not part of those
9 discussions.

10 In addition, the response that was
11 filed by Mr. Duddles does not address any testimony,
12 exhibits or issues that were addressed by staff in
13 the case, and although, of course, staff should see
14 everything in the case, the discussions relative to
15 this limited rebuttal were between the municipal
16 parties and the company.

17 MS. BUELL: Nonetheless, Your Honor, it's a
18 procedural requirement that all testimony to be
19 offered into the evidentiary record be filed on
20 e-docket and served on the parties.

21 JUDGE TAPIA: Your response, Mr. Bartel?

22 MR. BARTEL: We were assuming that that was

1 being worked out. However, on behalf of the City, we
2 did not file this on e-docket. We thought it was
3 being worked out with all parties that it would be
4 filed by agreement.

5 JUDGE TAPIA: Okay. Let's go off the record
6 for a minute.

7 (Whereupon an off-the-record
8 discussion transpired at this
9 time.)

10 JUDGE TAPIA: Okay. We're back on the record.

11 The parties and I discussed the way
12 we're going to proceed in this case is Mr. Duddles is
13 going to testify, and Mr. Sturtevant is going to
14 conduct cross-examination and any parties who wish to
15 cross-examine Mr. Duddles.

16 At that time, after, Mr. Bartel, the
17 attorney for Mr. Duddles, will file a motion to leave
18 instanter, and the parties at that time will have an
19 opportunity to file a motion to strike if they feel
20 it's appropriate.

21 Any questions?

22 MR. BARTEL: No.

1 MR. STURTEVANT: No.

2 JUDGE TAPIA: Thank you.

3 Then Mr. Bartel or Mr. Sturtevant,
4 whichever.

5 Do you need any direct testimony from
6 Mr. Duddles, Mr. Bartel?

7 MR. BARTEL: Yes, yes. I'd like to call
8 Mr. Duddles.

9 JUDGE TAPIA: Okay. Thank you. Whenever
10 you're ready.

11 JON DUDDLES

12 called as a witness herein, via teleconference, on
13 behalf of City of Des Plaines, having been first duly
14 sworn on his oath, was examined and testified as
15 follows:

16 DIRECT EXAMINATION

17 BY MR. BARTEL:

18 Q. Mr. Duddles, you have been previously sworn
19 here this afternoon, correct?

20 A. Yes.

21 Q. Okay. Would you state your name again for
22 the record?

1 A. Jon Duddles.

2 Q. And are you the same Jon Duddles who
3 offered direct testimony in this case which was filed
4 October 2, 2009?

5 A. Yes.

6 Q. Okay. Have you read the surrebuttal
7 testimony of Mr. Bernard Uffelman on behalf of
8 Illinois-American Water Company as it pertains to
9 projects within the City of Des Plaines?

10 A. Yes, I specifically reviewed the portion
11 about the City of Des Plaines use of funds from the
12 Motor Fuel Tax for street repairs associated with
13 water and sewer repair.

14 Q. Can you describe how the City of
15 Des Plaines used Motor Fuel Tax Funds on the two
16 projects discussed by Mr. Uffelman?

17 Please refer to the projects by name.

18 A. Yes. The source of funding is used only
19 for street improvements including drainage portion on
20 the projects.

21 On Alden Lane ID #14 funded under MFT,
22 ID #1092 of the water fund, Motor Fuel Tax Funds were

1 used to pay for the street rehabilitation on this
2 project, and water funds were used for the water main
3 improvements only.

4 On Third Avenue ID Project #834 funded
5 under MFT and ID Project #1065 funded under MFT, a
6 combination of Motor Fuel Tax Funds and Capital
7 Improvement Funds were used to pay for the streets
8 and drainage improvements on the project.

9 JUDGE TAPIA: Mr. Duddles, because you're on
10 the phone, it's kind of hard to hear, so if you can
11 slow down a little bit for the benefit of the court
12 reporter.

13 MS. SATTER: Judge, I think Mr. Duddles is
14 reading the supplemental that was going to be filed
15 in written form. If it's okay with staff and the
16 company attorney, possibly he can just verify that
17 what he said, what is written in the supplemental
18 testimony is the testimony that he wants to give
19 today, and then he doesn't have to restate it.

20 JUDGE TAPIA: Okay. Well, I think we have to
21 have it on the record for the court reporter.

22 MS. SATTER: Rather than use the paper copy?

1 JUDGE TAPIA: Yes. She's having difficulty
2 hearing it.

3 So, Mr. Duddles, if you can slow down
4 a little bit for the court reporter's benefit and
5 ours.

6 THE WITNESS: Sure.

7 JUDGE TAPIA: Okay. I'm sorry, Mr. Bartel.
8 You can continue.

9 MR. BARTEL: Certainly.

10 Q. Regarding the use of Motor Fuel Tax Funds,
11 can you tell me how they are used on these projects?

12 A. Yes. Motor Fuel Tax Funds funds are only
13 expended on street improvement eligible pay items.
14 At no time are any used for any water or sewer
15 improvement work.

16 Q. Now, were Motor Fuel Tax Funds used to
17 subsidize the water and sewer services in the City of
18 Des Plaines?

19 A. No. Contrary to Illinois-American Water's
20 assertion on line 285 of their response --

21 Q. Is that Mr. Uffelman's response?

22 A. Yes.

1 Q. Thank you. Go ahead.

2 A. Motor Fuel Tax Funds are not used to
3 subsidize water and sewer services in the City of
4 Des Plaines. We have Enterprise Funds which is
5 mainly a water fund and a sanitary sewer fund that we
6 use for water and sanitary sewer repairs and
7 improvements.

8 The projects that Mr. Uffelman
9 discusses involve a total of \$47,505.60 which was
10 obtained from the Water and Sewer Enterprise Funds
11 for water main improvement pay items only. The Motor
12 Fuel Tax Funds only funded street repairs for that
13 improvement project.

14 Q. Thank you. One last question.

15 Does the city ever notify or offer to
16 do street repairs for Illinois-American Water
17 Company?

18 A. Ordinarily, no. However, we will notify
19 Illinois-American Water when we are planning to do
20 street repairs so that the Illinois-American Water
21 Company repairs which will damage our streets can be
22 coordinated with our repair schedule. When plans can

1 be coordinated, the public is not as inconvenienced
2 by the roadwork and costs can be minimized.

3 Q. Does this conclude your testimony today?

4 A. Yes.

5 MR. BARTEL: Nothing further from the City or
6 Mr. Duddles at this time.

7 JUDGE TAPIA: Thank you, Mr. Bartel.

8 MR. BARTEL: Thank you.

9 JUDGE TAPIA: Mr. Sturtevant,
10 cross-examination?

11 MR. STURTEVANT: Thank you, Your Honor.

12 Mr. Duddles, my name is Albert
13 Sturtevant. I'm an attorney for Illinois-American
14 Water Company, and I'd like to ask a handful of
15 questions in the nature of clarification to your
16 response.

17 CROSS-EXAMINATION

18 BY MR. STURTEVANT:

19 Q. Regarding your statement at the end of the
20 response there that you notify IAWC when you were
21 planning to do street repairs, for work done on
22 Illinois-American's system in Des Plaines -- which I

1 believe is a sewer system, is that correct?

2 A. Yes, sewer and water.

3 Q. Sewer and water.

4 So for work that Illinois-American
5 does on its system in Des Plaines, is
6 Illinois-American responsible for the street repairs
7 for work it does?

8 A. Yes. They have to file for a utility
9 permit because they're doing work within the
10 right-of-way of the City of Des Plaines.

11 Q. Okay. And then, Mr. Duddles, were you able
12 to locate the two documents, and I believe you refer
13 to them in the earlier part of your testimony related
14 to the projects on Alden Lane and Third Avenue, and
15 the documents that I'm referring to are entitled
16 "Capital improvement program 2009 project detail,
17 location Alden Lane, project ID 1: 1092 water main,
18 and then also, there's a second page, City of
19 Des Plaines, capital improvement program 2009 project
20 detail, location Third Avenue, project ID 1065.

21 Do you have copies of those pages?

22 A. Yes.

1 Q. Okay. And those pages represent pages from
2 the capital improvement program project detail of the
3 City of Des Plaines, is that correct?

4 A. Yes.

5 Q. And those pages were provided to
6 Illinois-American Water Company in response to a data
7 request, is that correct?

8 A. Yes.

9 MR. STURTEVANT: All right. I'd like to mark
10 those two pages as IAWC Cross Exhibit 2.

11 (Whereupon IAWC Cross Exhibit 2
12 was marked for identification as
13 of this date.)

14 Q. And, Mr. Duddles, I'll refer to the Alden
15 Lane project, and I just want to clarify how these
16 projects work.

17 So looking at the Alden Lane project,
18 when the City of Des Plaines was going to perform
19 this project, this was some kind of water main
20 improvement project, is that correct?

21 A. Yes.

22 Q. And when the city went to perform this

1 project, they have to dig up the street, is that
2 correct?

3 A. Yes.

4 Q. And then whatever work they were doing on
5 the water main, that was funded through the Water
6 Enterprise Fund, is that correct?

7 A. Yes.

8 Q. And then as part of that project, there had
9 to be some street repair or rehabilitation once the
10 project was finished, is that correct?

11 A. Yes.

12 Q. And as part of the street repair -- I'm
13 sorry. Let me back up.

14 The street repair and rehabilitation
15 portion of the project, that was funded through the
16 Motor Fuel Tax, is that correct?

17 A. Yes.

18 MR. STURTEVANT: Okay. I have no further
19 questions, Your Honor.

20 JUDGE TAPIA: Thank you.

21 Ms. Buell?

22 MS. BUELL: Staff has nothing, Your Honor.

1 JUDGE TAPIA: Mrs. Satter?

2 MS. SATTER: Nothing.

3 JUDGE TAPIA: Okay. Any redirect, Mr. Bartel?

4 MR. BARTEL: No redirect on behalf of the City.

5 JUDGE TAPIA: And, Mr. Sturtevant, will you be

6 offering, are you offering to have this exhibit

7 admitted into evidence?

8 MR. STURTEVANT: Yes, Your Honor. I would move

9 for the admission of IAWC Cross Exhibit 2, subject,

10 of course, to the admission of Mr. Duddles Exhibit 3.

11 JUDGE TAPIA: Okay. Any objection from the

12 People, Ms. Satter?

13 MS. SATTER: No.

14 JUDGE TAPIA: Ms. Buell?

15 MS. BUELL: No, subject to the admission of

16 Exhibit 03, Your Honor.

17 JUDGE TAPIA: Okay. Thank you.

18 So IAWC Cross Exhibit 2 will be

19 admitted into evidence subject to the admission of

20 Exhibit No. 03.

21

22

1 (Whereupon IAWC Cross Exhibit 2
2 was admitted into evidence at
3 this time.)

4 JUDGE TAPIA: Thank you, Mr. Duddles. Thank
5 you, Mr. Bartel.

6 (Witness excused.)

7 JUDGE TAPIA: Anything else we need to discuss
8 before I continue this case?

9 Just to let the parties know that
10 briefs are due on January 7th, and reply briefs are
11 due on January 21st.

12 I'm going to continue this case
13 generally, and in the event that Judge Jones wants to
14 keep it open and there's additional things he wants
15 to do, I want to give him that opportunity, so
16 instead of closing it, I'll continue this case
17 generally.

18 Anything else?

19 MS. SATTER: No.

20 MR. STURTEVANT: No.

21 MR. BARTEL: On behalf of the City of
22 Des Plaines, thank you to everyone.

1 JUDGE TAPIA: Thank you. Thank you,
2 Mr. Sturtevant.
3 MR. STURTEVANT: Thank you, Your Honor.
4 (Whereupon the hearing was
5 continued generally.)
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22